

AFTER RECORDING, RETURN TO:

**BURLEIGH LAW, PLLC**  
3202 Harborview Drive, Ste 201  
Gig Harbor, WA 98332

**Document Title:** **Amended and Restated Declaration of Covenants, Conditions and Restrictions for Jubilee at Hawks Prairie, An Active Adult Planned Community**

**Reference Numbers of Related Documents:** Plats: 3541639, 3573905, 3631638, 3669234, 3731614, 3810761, 3835174, 3860306, 3913174, 3945919, 4365739, 4410675, 4465055, 4688408, 4693725

Declaration: 3617712

Declaration Amendments / Supplemental Declarations: 3615665, 3714657, 3714658, 3786688, 3799165, 3806006, 4188881, 4314607, 4457598, 4674873

**Grantor(s):** Jubilee Community Association, a Washington nonprofit corporation

**Grantee(s):** Jubilee Community Association, a Washington nonprofit corporation

**Legal Description (abbreviated):** JUBILEE ATHAWKS PRAIRIE, PER THAT CERTAIN DECLARATION RECORDED UNDER THURSTON COUNTY AUDITOR'S FILE NO. 3617712, AS AMENDED OF RECORD



---

**AMENDED AND RESTATED DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

**FOR**

**JUBILEE AT HAWKS PRAIRIE,  
AN ACTIVE ADULT PLANNED COMMUNITY**

---

**TABLE OF CONTENTS**

ARTICLE 1. DEFINITIONS..... 2  
ARTICLE 2. PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS ..... 7  
ARTICLE 3. THE COMMUNITY ASSOCIATIONS ..... 122  
ARTICLE 4. ASSESSMENTS ..... 16  
ARTICLE 5. DESIGN REVIEW & APPROVAL OF IMPROVEMENT PROJECTS..... 24  
ARTICLE 6. MINIMUM CONSTRUCTION STANDARDS..... 277  
ARTICLE 7. EXTERIOR MAINTENANCE RESPONSIBILITIES..... 28  
ARTICLE 8. USE OF JUBILEE PROPERTIES AND RESTRICTIONS..... 30  
ARTICLE 9. EASEMENTS ..... 32  
ARTICLE 10. INSURANCE..... 33  
ARTICLE 11. DAMAGE OR DESTRUCTION..... 35  
ARTICLE 12. CONDEMNATION ..... 36  
ARTICLE 13. BREACH AND DEFAULT..... 36  
ARTICLE 14. PROTECTION OF MORTGAGEES..... 39  
ARTICLE 15. NOTICES..... 43  
ARTICLE 16. AMENDMENT OF DECLARATION ..... 43  
ARTICLE 17. GENERAL PROVISIONS..... 44  
ARTICLE 18. EFFECTIVE DATE ..... 45  
  
EXHIBIT A. LEGAL DESCRIPTION OF JUBILEE PROPERTY ..... 47

**AMENDED AND RESTATED DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
JUBILEE AT HAWKS PRAIRIE,  
AN ACTIVE ADULT PLANNED COMMUNITY**

WHEREAS, a Plat Map for Hawks Prairie, Phase 1, Unit 1 was recorded in the real property records of Thurston County on June 18, 2003, under Auditor's File No. 3541639, with an alteration thereto recorded in the real property records of Thurston County on April 4, 2004 under Auditor's File No. 3631638, and a Plat Map for Hawks Prairie, Phase 1, Unit 2 was recorded in the real property records of Thurston County on September 17, 2003, under Auditor's File No. 3573905, and an instrument entitled "Supplemental Declaration of Covenants, Conditions and Restrictions for Jubilee at Hawks Prairie" was recorded in the real property records of Thurston County on February 17, 2004, under Auditor's File No. 3617712 ("Original Declaration") thereby submitting the real property set forth in the above-mentioned Plats, and subsequent Plats referenced herein, to the covenants set forth in the Original Declaration which establish Jubilee at Hawks Prairie as a sub-association of the Hawks Prairie Community Association (the "Master Association"), a Master Planned Community governed by the Restated Master Declaration of Covenants, Conditions and Restrictions for Hawks Prairie recorded in the real property records of Thurston County on January 14, 2005 under Auditor's File No. 3702933, and subsequent amendments thereto; and

WHEREAS, the Declaration has been substantively amended under instruments recorded in the real property records of Thurston County under Auditor Recording Nos. 4188881, 4314607, 4457598 and 4674873; and has been Supplemented to subject additional property to the Original Declaration, as amended, through instruments recorded in the real property records of Thurston County under Auditor Recording Nos. 3714657, 3714658, 3786688, 3799165, 3806006 and 4668922; and

WHEREAS, the Original Declaration has served to direct the Jubilee Community Association (the "Association") in meeting the purposes for which it was created but, as drafted, contains inconsistencies and vagaries, obsolete language, and language inconsistent with the current provisions of the Washington Homeowners Association Act at RCW Chapter 64.38 ("HOA Act"), applicable provisions of WUCIOA at RCW Chapter 64.90 and of the Washington Non-Profit Corporations Act at RCW Chapter 24.03A that render it less than ideal for the Association's purposes; and

WHEREAS, the Board believes the amendments contained herein are in the best interests of the Association; and

WHEREAS, pursuant to Section 18.03 of the Original Declaration, as amended, after notice to all of the Owners entitled to vote thereon was given, not less than fifty-one percent (51%) of the total votes in the Association consented to this Amended and Restated Declaration by written

consent; and

WHEREAS, Eligible Mortgagees, if any, that represent no less than fifty-one percent (51%) of the votes of Lots that are subject to Mortgages held by Eligible Mortgagees have approved or consented to this Amended and Restated Declaration; and

WHEREAS, the Declarant of the Jubilee at Hawks Prairie community has transitioned control of the Association to the Owners and, therefore, its approval for the amendments contained herein is not required;

NOW THEREFORE, the President and Secretary of the Association's Board of Directors certify that the Declaration, as amended and restated herein, shall be amended in the following particulars:

- A. *AMENDED & RESTATED. The Original Declaration, including all Amendments and Supplements thereto, shall be completely replaced and superseded by this Amended and Restated Declaration, as set out below, however this Amended and Restated Declaration shall not be interpreted in any way that would result in a Lot previously subject to the Original Declaration not being subject to this Amended and Restated Declaration except as expressly stated herein or by a duly approved subsequent amendment.***
- B. *PLAT MAPS UNCHANGED. The Plat Maps are unchanged hereby and shall remain in effect.***
- C. *This Amended & Restated Declaration shall take effect upon recording.***

#### **ARTICLE 1. DEFINITIONS**

1.1 "Amended and Restated Declaration" shall mean this Amended and Restated Declaration and any amendments thereto.

1.2 "Articles" means the Articles of Incorporation of the Jubilee Community Association.

1.3 "Assessment" means all sums chargeable by the Association against a Lot or Lot Owner, including, without limitation: (a) Regular, Special or Special Individual Assessment levied in accordance with the provisions of this Declaration; (b) charges and fines levied by the Association; (c) fees charged for services or use of the Common Elements; (d) interest and late charges on any delinquent account; and (e) any and all costs incurred by the Association, including attorney's fees, in connection with the collection of delinquent assessments or enforcement of any provision of the Governing Documents.

1.4 "Association" means the Jubilee Community Association as more particularly described in Article 3, below, its successors and assigns. Jubilee Community Association is a

nonprofit corporation.

1.5 “Bylaws” means the Bylaws of the Jubilee Community Association, as such Bylaws may be amended from time to time.

1.6 “Board” means the Board of Directors of the Jubilee Community Association.

1.7 “Capital Improvement” shall mean: (a) the purchase of real property other than a Lot pursuant to foreclosure of the Association’s assessment lien or threat thereof; or (b) the acquisition, construction, or installation of an improvement upon the Common Elements that is not merely a replacement for the same or similar improvements or structures and is unrelated to repairs for damage to, or destruction of, the existing Common Facilities.

1.8 “Common Elements” means all real property owned, controlled or maintained by the Association for the common use and enjoyment of the Owners, all real property designated as a “common element” on a Subdivision Plat or in a Supplemental Declaration. Common Elements does not mean or include any property which is described as common elements in any Supplemental Declaration pertaining to a separate residential subdivision within a particular Phase of the Master Community and which is owned or controlled by a separate sub-association applicable only to that subdivision.

1.9 “Common Expense” means any use of funds authorized by Article 4, below, and Article 9 of the Bylaws and includes, without limitation: (a) all expenses or charges incurred by or on behalf of the Association for the management, maintenance, administration, insurance, operation, repairs, additions, alterations or reconstruction of the Common Elements and Common Facilities; (b) all expenses or charges reasonably incurred to procure insurance for the protection of the Association and its Board (c) any amounts reasonably necessary for reserves for maintenance, repair and replacement of the Common Elements and Common Facilities, and for nonpayment of any Assessments; and (d) the use of such funds to defray the costs and expenses incurred by the Association in the performance of its functions or in the proper discharge of the responsibilities of the Board as provided in the Governing Documents.

1.10 “Common Facilities” means the Jubilee Lodge and Pavilion, and the trees, hedges, plantings, lawns, shrubs, entry gates (and their related systems), private streets and drives, pedestrian paths, landscaping, fences, utilities, berms, pipes, lines, lighting fixtures, buildings, structures and other facilities constructed or installed, or to be constructed or installed, or currently located within the Common Elements and owned by the Association.

1.11 A “Cost Center” shall be a designation assigned by the Association to a discrete portion of the Jubilee Properties (and to the Owners of Lots located therein) for the purpose of expense accounting and Assessment, all as more particularly provided in Sections 4.1(e) and 4.2(c), below. A Cost Center is likely to be created when the Association is maintaining property or Common Facilities located within the designated Cost Center area which are fully or partially restricted to Owners of the Lots within the Cost Center.

1.12 “County” means the County of Thurston, State of Washington, and its various departments, divisions, employees and representatives.

1.13 “Declaration” means this instrument, as it may be amended from time to time.

1.14 “Design Standards” means the Design Standards and procedural rules of the Design Review Committee, adopted pursuant to Section 5.3, below.

1.15 “Design Review Committee” means the committee created in accordance with Article 5, below.

1.16 “Golf Course” means the golf course located outside the Jubilee Properties which is described in the Master Declaration.

1.17 “Governing Documents” is a collective term that means and refers to this Declaration, the Articles and Bylaws of the Association, the Master Declaration and the documents defined as “Governing Documents” therein, and the Jubilee Association Rules (including any Design Standards adopted in accordance with Section 5.3, below).

1.18 “Improvement” as used herein includes, without limitation any improvement or project undertaken or contemplated by an Owner within any portion of the Jubilee Properties involving the construction, installation, alteration or remodeling of any Residence structures, garages, out buildings, walls, fences, swimming pools, landscaping, landscape structures, solar heating equipment, spas, antennas, television satellite reception equipment, utility lines or any other structure of any kind. Improvement projects are subject to design review and approval pursuant to Article 5, below.

1.19 “Jubilee Association Rules” means the rules and regulations adopted by the Board, pursuant to Section 3.8, below, as the same may be in effect from time to time, as well as the Design Standards.

1.20 “Jubilee Properties” means all parcels of real property (Common Elements and Lots) described in Exhibit “A”, together with all buildings, structures, utilities, Common Facilities, and other Improvements now located or hereafter constructed or installed thereon, all appurtenances thereto. The term “Jubilee Properties” shall also include any additional real property that is hereafter added to the real property described in Exhibit “A”. At times herein, the Jubilee Properties are referred to as “Jubilee at Hawks Prairie”.

1.21 “Lot” means any parcel of real property designated by a number on the Subdivision Plat for any portion of the Jubilee Properties, excluding the Common Elements. When appropriate within the context of this Declaration, the term “Lot” shall also include the Residence and other Improvements constructed or to be constructed on a Lot.

1.22 “Majority of a Quorum” means the vote of a majority of the votes cast at a meeting or by written ballot when the number of Members attending the meeting in person or by proxy or the number of Members casting written ballots equals or exceeds the quorum requirement for Member action, as specified by the Bylaws or otherwise by statute.

1.23 “Master Association” means the Hawks Prairie Community Association, a Washington nonprofit corporation, its successors and assigns.

1.24 “Master Community” means the Hawks Prairie Master Planned Community, as

more particularly described in the Master Declaration.

1.25 “Master Declaration” means and refers to the Restated Master Declaration of Covenants, Conditions and Restrictions for Hawks Prairie, A Master Planned Community recorded on January 14, 2005 under Auditor’s File No. 3702933, records of Thurston County, Washington, and all amendments thereto.

1.26 “Member” means every person or entity who holds a membership in the Association and whose rights as a Member are not suspended pursuant to Section 13.5, below.

1.27 “Mortgage” means any security device encumbering all or any portion of the Jubilee Properties, including any deed of trust.

1.28 “Mortgagee” shall refer to a beneficiary under a deed of trust as well as to a mortgagee in the conventional sense.

1.29 “Owner” means any person, firm, corporation or other entity which owns a fee simple interest in any Lot within the Jubilee Properties.

1.30 “Permitted Health Care Resident” means a person hired to provide live-in, long term or terminal health care to a Qualifying Resident.

1.31 “Phase” means those Lots and/or Common Elements within a Subdivision Plat which subdivides all or any portion of the Jubilee Property.

1.32 “Plat Maps” shall mean and include those certain instruments recorded in the real property records of Thurston County as follows: The Plat Alteration of Hawks Prairie Phase 1 Unit 1 Pursuant to RCW 58.17.215 (Thurston County Auditor’s Number (“TCAN”) 3631638); the plat of Hawks Prairie Phase 1 Unit 2 (TCAN 3573905), the plat of Hawks Prairie Phase 1 Unit 4 (TCAN 3669234); the plat of Hawks Prairie Phase 1 Unit 3 (TCAN 3731614); the plat of Hawks Prairie Phase 1 Unit 5/6 (TCAN 3810761); the plat of Hawks Prairie Phase 2 Unit 10 (TCAN 3835174); the plat of Hawks Prairie Phase 2 Unit 15 (TCAN 3860306); the plat of Hawks Prairie Phase 2 Unit 12 (TCAN 3913174); the plat of Hawks Prairie Phase 2 Unit 11 (TCAN 3945919); the plat of Jubilee Anderson Point (TCAN 4410675); the plat of Jubilee Fox Run (TCAN 4365739); the plat of Whidbey Passage (TCAN 4465055); the plat of Hawks Prairie Phase 3 Unit 17 (TCAN 4688408); and the plat of Hawks Prairie Phase 3 Unit 18 (TCAN 4693725), and any and all amendments thereto.

1.33 “Qualified Permanent Resident” means any of the following persons occupying a Residence:

- (a) A Qualified Resident;
- (b) A person 19 years of age or older occupying a Residence with a Qualifying Resident;
- (c) A person 19 years of age or older who occupied a Residence with the Qualifying Resident prior to the death, hospitalization, or other prolonged absence of, or the dissolution of marriage with, the Qualifying Resident;

For purposes of this section, the terms “occupying” and “occupied” shall mean staying overnight in a particular Residence for at least 60 days within a one (1) year period.

1.34 “Qualifying Resident” means a person fifty-five (55) years of age or older.

1.35 “Regular Assessment” means an Assessment levied against an Owner and his or her Lot in accordance with Section (e), below.

1.36 “Residence” means a private, single-family dwelling constructed or to be constructed on any Lot.

1.37 “Resident” means:

(a) an Owner of a Lot actually residing thereon and/or therein;

(b) any person who has executed a contract to purchase any Lot actually residing thereon and/or therein (i.e., renting until his/her Residence is completed), regardless of whether the contract is recorded, and each tenant or lessee of a Lot actually residing thereon and/or therein; and

(c) members of the immediate family, or other Qualifying Residents or Qualified Permanent Residents of each Owner and of each buyer and tenant referred to in subparagraph (b) actually living in the same household in Jubilee at Hawks Prairie with such Owner or such buyer or tenant; and

(d) in accordance with the laws and regulations relating to developments which are intended to provide housing for older persons, at least eighty percent (80%) of the occupied Residences within the Jubilee Properties must be occupied by at least one Qualifying Resident.

1.38 “Single Family Residential Use” means occupation and use of a Residence for single family dwelling purposes in conformity with this Declaration and the requirements imposed by applicable zoning or other applicable laws or governmental regulations limiting the number of persons who may occupy single family residential dwellings.

1.39 “Special Assessment” means an Assessment levied against an Owner and his or her Lot in accordance with Section 4.3, below.

1.40 “Special Individual Assessment” means an Assessment levied against an Owner and his or her Lot in accordance with Section 4.4, below.

1.41 “Sub-Association” means any incorporated or unincorporated association organized to own and maintain Common Elements or residence exteriors within any Phase of Jubilee at Hawks Prairie.

1.42 “Subdivision Plat” means the plat for any portion of the Jubilee Properties.

1.43 “Supplemental Declaration” means any declaration previously recorded which supplemented prior versions of this Declaration and which may affect solely a condominium project, a planned development or some other Phase of the Jubilee Properties.

**ARTICLE 2. PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS**

**2.1 Declaration Regarding Jubilee Properties**

(a) Jubilee Properties Subject to Declaration. The Jubilee Properties shall be held, conveyed, divided, encumbered, hypothecated, leased, rented, used, occupied and improved only upon compliance with and subject to the provisions of this Declaration, which is hereby declared to: (i) be in furtherance of a plan for the subdivision of the Jubilee Properties and the sale of residential Lots therein; (ii) be for the benefit and protection of the Jubilee Properties and to enhance the desirability, value and attractiveness of the Residences, Common Elements, and Common Facilities located or to be located therein; (iii) be for the benefit of the Owners; (iv) run with the land and be binding upon all parties having or acquiring any right, title or interest in the Jubilee Properties or any portion thereof; (v) inure to the benefit of every portion of the Jubilee Properties and any interest therein; and (vi) inure to the benefit of and be binding upon each Owner.

(b) Binding Effect on Successors In Interest. Each conveyance, transfer, sale, assignment, lease or sublease of any Lot shall be deemed to incorporate by reference all of the provisions of this Declaration. All present and future Owners, tenants and occupants within the Jubilee Properties shall be subject to, and shall comply with, each and every provision of the Governing Documents, as the same shall be amended from time to time unless a particular provision of the Governing Documents is specifically restricted to one or more classes of persons (i.e., Owners, tenants, invitees, etc.). The acceptance of a deed to any Lot, the execution of a lease, sublease or contract of sale with respect to any Lot or the entering into occupancy of any Residence shall make the provisions of this Declaration binding upon said persons and they shall thereafter be obligated to observe and comply with all Governing Documents

(c) Allocation of Interests.

(i) Assessments. As more particularly described in Article 4, below, each Lot shall be obligated to pay an equal pro-rata share of the Association's Regular and Special Assessments, except for Cost Center Assessments as described in Section 4.1(e) and 4.2(c)(ii), which shall be allocated in equal shares to those Lots subject to such Cost Center Assessments. Lots within the Jubilee Properties shall also be subject to assessment by the Master Association in accordance with the terms of the Master Declaration.

(ii) Voting Rights. As more particularly described in Article 3, below, and in the Bylaws, each Lot shall have an equal portion of the voting power of the Association.

**2.2 General Declaration Creating Jubilee at Hawks Prairie as a Development Providing Housing to Older Persons**. All of the real property constituting the Jubilee Properties is and shall be subject to this Declaration and any applicable recorded Supplemental Declaration, with the exception of any Jubilee Properties which are dedicated to the public, a governmental entity for public purposes, or any quasi-public entity or public utility (which Jubilee Properties shall not be subject to this Declaration while owned by the public or the governmental entity), although restrictions imposed in this Declaration upon the Owners and

Residents concerning the use and maintenance of such public areas shall at all times apply to the Owners and Residents.

Jubilee at Hawks Prairie is a senior citizen housing development that is intended to qualify as “housing for older persons” exempt from the age restriction prohibition contained in the Fair Housing Amendments Act of 1988 and the Housing for Older Persons Act of 1995 (the “Fair Housing Act”). In order to satisfy the requirements of the Fair Housing Act, the Association shall:

(i) publish and adhere to policies and procedures which demonstrate an intent by the Association to provide housing for persons 55 years of age or older; and

(ii) comply with rules issued by the Secretary of Housing and Urban Development for verification of occupancy by persons 55 years of age or older.

The requirements contained in this Section 2.2, above or Section 8.1 below are intended to comply with the exemption requirements under the Fair Housing Act, and the regulations issued thereunder. If the Fair Housing Act, or the regulations are amended, modified or repealed, the provisions of this Section 2.2 and of Section 8.1 automatically shall be amended, modified, or repealed in the same manner by action of the Board and without necessity of further Member approval.

2.3 Number of Lots. There are 1124 Lots in Jubilee, as shown on the Plat Maps.

2.4 Property Rights in Common Elements.

(a) Fee Title in Jubilee Community Association. The Association holds fee simple title to the Common Elements in each Phase of the Jubilee Properties, and any easements, conditions and reservations of record, including those set forth in this Declaration.

(b) Rights of Owners in Common Elements. The interest of each Lot Owner in and to the use and benefit of the Common Elements and the Common Facilities shall be appurtenant to the Lot owned by title Owner and shall not be sold, conveyed or otherwise transferred by the Owner separately from the ownership interest in the Lot. Any sale, transfer or conveyance of such Lot shall transfer the appurtenant right to use and enjoy the Common Elements and Common Facilities. There shall be no judicial partition of the Common Elements or any part thereof, and each Owner, whether by deed, gift, devise, or operation of law for his or her own benefit and for the benefit of all other Owners specifically waives and abandons all rights, interest and causes of action for a judicial partition of any ownership interest in the Common Elements and does further covenant that no action for judicial partition shall be instituted, prosecuted or reduced to judgment. The rights of all Owners in the Common Elements shall be further subject to the requirements and restrictions set forth in Section 2.5 below.

2.5 Owners’ Nonexclusive Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Elements, including ingress and egress to and from his or her Lot, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) Right of Association to Regulate Common Elements Uses. The right of the Association to charge reasonable admission and other fees or to limit the number of guests of Members who may use any recreational Common Facilities within the Common Elements. Notwithstanding the foregoing and so long as an Owner is current in the payment of all Assessments and other charges owing to the Association, for each Lot owned, the Owner shall receive membership cards, as further set forth in the Association's Rules, for each Owner of the Residence who is either a Qualifying Resident or a Qualified Permanent Resident. In addition, the Jubilee Association Rules may provide for the issuance of Recreational Facilities use privilege cards (in addition to the membership cards) for use by other persons residing in an Owner's Residence in accordance with the occupancy restrictions imposed by Section 8.1, below. The Board may impose a reasonable fee or charge for any additional Recreational Facilities use privilege card or cards issued to such Owner or Resident. In addition, the Board may at any time adopt a limit on the number of cards that may be issued for each Lot or on guest privilege cards, but no such action shall affect previously issued cards. To be eligible to use the Recreational Facilities of Jubilee at Hawks Prairie, a Resident must be either a Qualifying Resident, as defined in Section 1.34, above, or a Qualified Permanent Resident as defined in Section 1.33, above.

(b) Right of Association to Adopt Rules. The right of the Association to adopt Jubilee Association Rules as provided in Section 3.8, below, regulating the use and enjoyment of the Jubilee Properties for the benefit and well-being of the Owners in common, and, in the event of the breach of such rules or any provision of any Governing Document by any Owner or tenant, to initiate disciplinary action against the violating Owner or tenant in accordance with Section 13.5, below. Such action may include the levying of fines and/or the temporary suspension of the voting rights and/or the right to use recreational Common Facilities by any Owner and the Owner's tenants and guests.

(c) Right to Incur Indebtedness. The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Elements and Common Facilities.

(d) Rights of Conveyance. The right of the Association to convey, dedicate, transfer, or subject to a security interest, all or any part of the Common Elements for such purposes and subject to such conditions as may be agreed by the Owners; provided, however, that no such dedication or transfer shall be effective unless an instrument, approved by at least a majority of the Owners of Lots consenting to such dedication or transfer has been recorded. Furthermore, no dedication shall be permitted that impairs the ingress and egress to any Lot. The instrument effecting the dedication may be executed in counterparts so long as each counterpart is in recordable form.

(e) Rights of Easement Holders. All easements affecting the Common Elements which are described in Article 9, below.

2.6 Right to Use the Golf Course. The Golf Course is not included in the Jubilee at Hawks Prairie common interest development and there is no guarantee that the property

identified as the Golf Course will be operated as such indefinitely. Accordingly, neither being an Owner of a Lot within Jubilee at Hawks Prairie nor being a Member of the Association shall confer any property rights, ownership interest, or rights of access, use or enjoyment in and to the Golf Course. Rights to use and enjoy the Golf Course are within the exclusive control of the owner of the Golf Course and will be given by such owner to such persons, including without limitation, members of the general public, and on such terms and conditions as the owner of the Golf Course may determine from time to time. The owner of the Golf Course may amend or waive its determinations and policies with respect to use of the Golf Course at any time. See also Sections 8.6, 8.7, and 8.8, below, which also pertain to the Golf Course.

## 2.7 Delegation of Use.

(a) Delegation of Use, Generally. Any Owner may delegate, in accordance with the Jubilee Association Rules, his or her right to use and enjoy the Common Elements and Recreational Facilities to the Qualifying Resident (if the Owner is not the Qualifying Resident), Qualified Permanent Residents residing in Owner's Residence, and the Owner's tenants or contract purchasers who reside in the Owner's Residence (so long as the tenant or contract purchaser is in compliance with the residency restrictions imposed by Section 8.1 of this Declaration).

Except as provided in this paragraph, during the period of any lease or rental of a Residence to Qualifying Resident tenants or during the sale of a Residence to contract purchasers, neither the Owner nor his or her family or other parties claiming use rights through Owner, shall be entitled to use the Association's Common Facilities during the period of delegation (other than any roads providing access to the leased Residence), unless the Owner- lessor is a Qualifying Resident who is contemporaneously residing in another Residence within Jubilee at Hawks Prairie. Owner-lessors who are not contemporaneously residing in another Residence, shall surrender his or her Recreational Facilities cards to the Association for the period of delegation, and any issuance of cards to Qualifying Resident tenants or contract purchasers will be conditioned upon such surrender. Nothing in this paragraph shall preclude the Association from issuing temporary user cards to new purchasers of Residences who are in the process of selling another residence and who have not yet moved to their new Residence within Jubilee at Hawks Prairie.

Guests of an Owner may use the Common Elements and Recreational Facilities only in accordance with the Jubilee Association Rules which may, among other things: (i) limit the number of guests; (ii) include a reasonable fee or charge for such use by guests; (iii) require that Owners accompany guests to the facilities and remain with guests under 19 years old at the Common Facilities; and (iv) restrict the times during guests may use certain facilities.

Nothing herein shall be interpreted as permitting transfer to tenants or contract purchasers of an Owner's voting rights, which shall not be delegated.

(b) Requirements That Must Be Observed In All Residential Leases. The following specific limitations shall apply to all leases or tenancies of a Residence within the Jubilee Properties: (i) no Residence may be leased or rented for a period of less than ninety (90) days;

(ii) the lease or rental must be to a single family; (iii) the rental shall apply to not less than an entire Residence including its appurtenant rights (except voting rights in the Association which may not be transferred to a tenant or lessee); (iv) the leased or rented Residence must be managed either by the management company that serves as the manager for the Association, or by the Owner-lessor, unless another management arrangement is approved by the Board; and (v) any rental shall be evidenced by a written lease or rental agreement which shall provide that the tenancy is subject to the terms of the Governing Documents and that any failure of the tenant to comply with the terms of any Governing Document relating to residential leases, property use restrictions or the use and enjoyment of any portion of the Common Elements and Common Facilities shall constitute a default under the lease or rental agreement and shall entitle the Owner to terminate the tenancy upon thirty (30) days' written notice. The Owner-lessor's right to terminate a lease or rental agreement on account of the tenant's violation of the Governing Documents shall in no way restrict the right of the Association, or any Owner to enforce the Governing Documents in accordance with Article 8, below, when the Owner's tenant is violating the Governing Documents.

(c) Discipline of Lessees. Subject to subparagraph (d) below, in the event that any tenant or lessee fails to honor the provisions of any Governing Document, the Association shall be entitled to take such corrective action as it deems necessary or appropriate under the circumstances in order to preserve the quiet enjoyment of other Owners and residents within the Jubilee Properties. Without limiting, the foregoing, the Association's actions in response to a tenant's violation of the Governing Documents may include: (i) suspension of the tenant's privileges to use the Common Elements and/or Common Facilities, or (ii) the imposition of fines and penalties against the Owner-lessor of the Residence.

(d) Due Process Requirements for Disciplinary Action. Except for circumstances in which immediate corrective action is necessary to prevent damage or destruction to the Jubilee Properties or to preserve the rights of quiet enjoyment of other Owners, the Association shall have no right to initiate disciplinary action against an Owner-lessor (or the Owner's lessee or tenant) on account of the misconduct of the Owner's lessee or tenant unless and until the following conditions have been satisfied: (i) the Owner has received written notice from the Board, the Association's management staff or agent or an authorized committee of the Board detailing the nature of the lessee's/tenant's alleged infraction or misconduct and advising the Owner of his or her right to a hearing on the matter in the event the Owner believes that remedial or disciplinary action is unwarranted or unnecessary; (ii) the Owner has been given a reasonable opportunity to take corrective action on a voluntary basis or to appear at a hearing, if one is requested by the Owner, and (iii) the Owner has failed to prevent or correct the tenant's objectionable actions or misconduct. Any hearing requested hereunder shall be conducted in accordance with Section 13.5, below.

### **ARTICLE 3. THE COMMUNITY ASSOCIATIONS**

#### **3.1 Description of Associations With Jurisdiction Within Jubilee at Hawks Prairie.**

(a) The Master Association. Persons who acquire ownership of a Lot in Jubilee at Hawks Prairie thereby become members in both the Hawks Prairie Community Association (the “Master Association”) and the Jubilee Community Association. The rights, preferences, privileges and obligations of members of the Master Association are more particularly described in the Master Declaration and in the Articles and Bylaws of the Master Association.

(b) The Jubilee Community Association The Jubilee Community Association is a Washington nonprofit corporation charged with the duties and invested with the powers set forth in the Governing Documents, including, but not limited to, the ownership, control, maintenance and repair of the Common Elements and Common Facilities.

3.2 Association Action: Board and Officers. With the exception of those matters requiring approval of Members under the Governing Documents or Washington law, the affairs of the Association shall be conducted, and all corporate powers shall be exercised by the Board and such officers as the Board may elect or appoint. Except as otherwise provided in the Governing Documents or Washington law, all matters requiring the approval of Members shall be deemed approved if approved by a Majority of a Quorum of the Members.

#### **3.3 Membership in the Association.**

(a) Qualifications. Each Owner of a Lot shall be a Member of the Association. An Owner shall hold one membership in the Association for each Lot that the Member owns. Sole or joint ownership of a Lot shall be the sole qualification for membership in the Association. Each Owner shall remain a Member of the Association until his or her ownership of, or ownership interest in, all Lots in the Jubilee Properties ceases, at which time the Owner’s membership in the Association shall automatically cease. Persons or entities who hold an interest in a Lot merely as security for performance of an obligation are not Members.

(b) Members’ Rights and Duties. Membership in the Association shall give rise to the rights, duties, and obligations set forth in the Governing Documents and any amendments thereto.

#### **3.4 Membership Voting.**

(a) Commencement of Voting Rights. Voting rights attributable to the ownership of Lots shall not vest until Assessments against those Lots have been levied by the Association.

(b) Single Class of Membership. The Association shall have a single class of voting membership, with each Membership vote being an equal fraction of the total number of Membership of the Association.

(c) Suspension of Voting Rights. Voting rights may be temporarily suspended under those circumstances described in Section 13.5, below.

#### **3.5 Assessments.** The Association shall have the power to establish, fix and levy

Assessments against the Owners of Lots within the Jubilee Properties and to enforce payment of such Assessments, as more particularly provided in Article 4, below. Any Assessments levied by the Association against its Members shall be levied in accordance with, and pursuant to, the provisions of this Declaration.

3.6 Transfer of Memberships. Membership in the Association shall not be transferred, encumbered, pledged or alienated in any way, except upon the sale of the Lot to which it is appurtenant, and then, only to the purchaser. In the case of a sale, the membership appurtenant to the transferred Lot shall pass automatically to the purchaser upon the recordation of a deed evidencing the transfer of title. In the case of an encumbrance recorded with respect to any Lot, the Mortgagee shall not possess any membership rights until the Mortgagee becomes an Owner by foreclosure or acceptance of a deed in lieu thereof. Tenants who are delegated rights of use pursuant to the rental or lease of a Residence (see Section 2.7, above) do not thereby become Members, although the tenant and his or her family and guests shall at all times be subject to the property use restrictions and enforcement/disciplinary provisions of the Governing Documents. If any Owner fails or refuses to transfer the membership registered in his or her name to the purchaser of his or her Lot, the Association shall have the right to record the transfer upon its books and thereupon any other membership outstanding in the name of the seller shall be null and void.

3.7 Powers and Authority of the Association.

(a) Powers, Generally. The Association shall have the responsibility of owning, managing and maintaining the Common Elements and Common Facilities and discharging the other duties and responsibilities imposed on the Association by the Governing Documents. In the discharge of such responsibilities and duties, the Association shall have all of the powers of a nonprofit corporation organized under the laws of the State of Washington in the ownership and management of its Jubilee Properties and the discharge of its responsibilities hereunder for the benefit of its Members, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Governing Documents. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done under and by virtue of the Governing Documents, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association for the peace, health, comfort, safety or general welfare of the Owners. The specific powers of the Association and the limitations thereon are set forth in Article IX of the Bylaws.

(b) Association's Limited Right of Entry.

(i) Right of Entry, Generally. Without limiting the foregoing description of powers, but in addition thereto, the Association and its agents shall have the right and power to enter any Lot to perform the Association's obligations under this Declaration, including: (A) obligations to enforce the architectural review and approval requirements, minimum construction standards and/or land use restrictions of Articles 5, 6 and 8, below; (B) any obligations with respect to construction, maintenance and repair of adjacent Common Elements and Common Facilities; (C) to make necessary repairs that an Owner has failed to perform which, if left

undone, will pose a threat to, or cause an unreasonable interference with, any portion of the Jubilee Properties or the Owners in common; or (D) obligations with respect to landscaping pursuant to Section 7.2 below.

(ii) Limitations on Exercise of Right. The Association's right of entry pursuant to this subparagraph (b) shall be subject to the following:

(A) The right of entry may be exercised immediately and without prior notice to the Owner or resident in case of an emergency originating in or threatening the Lot where entry is required or any adjoining Lots or Common Elements. The Association's work may be performed under such circumstances whether or not the Owner or his or her lessee is present.

(B) In all non-emergency situations involving routine repair and/or maintenance activities, the Association, or its agents, shall furnish the Owner or his or her lessee with at least 24 hours prior written notice of its intent to enter the Lot, specifying the purpose and scheduled time of such entry, and shall make every reasonable effort to perform its work and schedule its entry in a manner that respects the privacy of the persons residing on the Lot.

(C) In all non-emergency situations involving access by the Association for purposes of enforcing the Governing Documents against an Owner in default, the Association's entry shall be subject to observance of the notice and hearing requirements imposed by Section 13.5, below.

(D) In no event shall the Association's right of entry hereunder be construed to permit the Association or its agents to enter any Residence without the Owner's express permission.

### 3.8 Jubilee Association Rules.

(a) Rule Making Power. The Board may, from time to time and subject to the provisions of this Declaration, propose, enact and amend rules and regulations of general application to the Owners ("Jubilee Association Rules"). The Jubilee Association Rules may concern, but need not be limited to: (i) administration and enforcement of the development's age occupancy restrictions; (ii) matters pertaining to use of the Common Elements and Common Facilities; (iii) design control and the standards of the Design Review Committee adopted pursuant to Section 5.4, below; (iv) regulation of pet ownership, parking, signs, collection and disposal of refuse and other matters subject to regulation and restriction under Article 8, below; (v) collection of delinquent Assessments; (vi) minimum standards of maintenance of landscaping or other Improvements on any Lot; (vii) the conduct of disciplinary proceedings in accordance with Section 13.5, below, and (viii) any other subject or matter within the jurisdiction of the Association as provided in the Governing Documents.

Notwithstanding the foregoing grant of authority, the Jubilee Association Rules shall not be inconsistent with or materially alter any provision of the Governing Documents or the rights, preferences and privileges of the Owners thereunder. In the event of any material conflict between any Jubilee Association Rule and the provisions of any other Governing Document, the conflicting provisions contained in the other Governing Document shall prevail.

(b) Distribution of Rules. A copy of the Association Rules, as they may from time to time be adopted, amended or repealed, shall be delivered to each Owner. A copy of the Jubilee Association Rules shall also be available and open for inspection by any Owner during normal business hours at the principal office of the Association.

(c) Adoption and Amendment of Rules. Jubilee Association Rules may be adopted or amended from time to time by majority vote of the Board, provided, however, that no Jubilee Association Rule or amendment thereto shall be adopted by the Board until at least thirty (30) days after the proposed rule or rule amendment has been: (i) published in the Association newsletter, if any, or otherwise communicated to the Owners in writing; and (ii) posted in the Association's principal office. The notice describing the proposed rule or amendment shall also set forth the date, time and location of the Board meeting at which action on the proposal is scheduled to be taken.

Any duly adopted rule or amendment to the Jubilee Association Rules shall become effective immediately following the date of adoption thereof by the Board, or at such later date as the Board may deem appropriate. Any duly adopted rule or rule amendment shall be delivered to the Owners within thirty (30) days of adoption by the Board.

3.9 Breach of Rules or Restrictions. Any breach of the Design Standards or of any other Governing Document provision shall give rise to the rights and remedies set forth in Article 13, below.

3.10 Limitations on Liability.

(a) Limitation on Liability of the Association's Directors and Officers. No director or officer of the Association (collectively and individually referred to as the "Released Party") shall be personally liable to any of the Members, or to any other person, for any error or omission in the discharge of his or her duties and responsibilities or for his or her failure to provide any service required under the Governing Documents; provided that such Released Party has, upon the basis of such information as he or she possessed, acted in good faith, in a manner that such person believes to be in the best interests of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In the performance of their duties, the officers and members of the Board are fiduciaries and are subject to the insulation from liability provided for directors of corporations by the laws of the State of Washington.

Without limiting the generality of the foregoing, this standard of care and limitation of liability shall extend to such matters as the establishment of the Association's annual financial budget, the funding of Association Capital Improvements, and reserve accounts for repair and maintenance of Common Elements and Common Facilities and enforcement of the Governing Documents.

(b) Tort and Contract Liability. Neither the Association nor any Lot Owner, other than the Declarant, shall be liable for the torts of the Declarant arising out of or related to any part of the Jubilee Properties which a Declarant has the responsibility to maintain. Otherwise, an

action alleging a wrong done by the Jubilee Community Association must be brought against the Jubilee Community Association and not against any Lot Owner. If the alleged wrong occurred during any period of Declarant control and the Jubilee Community Association gives the Declarant reasonable notice of, and an opportunity to defend against the accusation, the Declarant who then controlled the Jubilee Community Association is liable to the Jubilee Community Association or to any Owner for all tort losses not covered by insurance maintained by the Jubilee Community Association or that Owner, and all costs of that the Jubilee Community Association would not have incurred but for a breach of contract or other wrongful act or omission.

#### **ARTICLE 4. ASSESSMENTS**

##### **4.1 Assessments, Generally.**

(a) Covenant to Pay Assessments. Each Owner of a Lot by acceptance of a deed therefor (whether or not it shall be so expressed in such deed), covenants and agrees to pay to the Association: (i) Regular Assessments; (ii) Special Assessments; and (iii) Special Individual Assessments (if levied against the Owner, individually). Each such Assessment shall be established and collected as hereinafter provided. In addition, Owners are liable for the payment of assessments duly imposed on such Owners by the Master Association pursuant to (and to the extent provided in) the Master Declaration. All references in this Article 4 to “Assessments” are intended to refer to Association Assessments unless the context clearly indicates that the reference is intended to refer to Master Association assessments.

(b) Extent of Owner’s Personal Obligation for Assessments. All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorneys’ fees) for the collection thereof, shall be a debt and a personal obligation of the person who is the Owner of the Lot at the time the Assessment is levied as well as a charge on the land and shall be a continuing lien upon the Lot with respect to which each such Assessment has been levied. Each Owner who acquires title to a Lot (whether by conventional conveyance, at a judicial sale, trustee’s sale or otherwise) shall be personally liable only for Assessments attributable to the Lot which become due and payable after the date that the person acquires title. Accordingly, when a person acquires title to a Lot, he or she shall not be personally liable for delinquent Assessments of prior Owners unless the new Owner expressly assumes the personal liability. However, if the acquired Lot is conveyed subject to a valid lien for delinquent Assessments (and related costs of collection), the Association may continue to exercise its foreclosure remedies against the Lot, regardless of the change of ownership, and/or the Association may pursue its collection remedies against the prior Owner, individually.

(c) Creation of Assessment Lien. All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorneys’ fees) for the collection thereof, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such Assessment is made. Any lien for unpaid Assessments created pursuant to the provisions of this Article may be subject to foreclosure as provided in Section 4.8(b), below.

(d) No Avoidance of Assessment Obligations. No Owner may exempt himself/herself or the Owner's Lot from liability or charge for the Owner's share of any Assessment made against the Owner or his or her share of any Regular or Special Assessment made against the Owner's Lot, by waiving or relinquishing, or offering to waive or relinquish, the Owner's right to use and enjoy all or any portion of the Common Elements or Common Facilities or by the abandonment or non-use of the Owner's Lot.

(e) Designation of Cost Centers. The Association shall have the power and authority to designate Lots and Common Elements within the Jubilee Properties as Cost Centers for purposes of expense accounting and the equitable allocation of Regular Assessments, in accordance with Section 4.2(c)(ii), below. A Cost Center is likely to be designated when one of the following occurs: (i) the maintenance or use of a particular Improvement or maintenance area within the designated Cost Center is fully or partially restricted to Owners of Lots located within the area designated as a "Cost Center," or (ii) when certain Owners of Lots within a designated Cost Center are receiving services from the Association that are in addition to, or significantly greater than, the services provided to other Owners or residents.

#### 4.2 Regular Assessments.

(a) Preparation of Annual Budget: Establishment of Regular Assessments. Not less than sixty (60) days prior to the beginning of the Association's fiscal year, the Board shall adopt an annual budget for the coming fiscal year, upon which the Regular Assessments will be based. In preparing its budget, the Board shall estimate the Common Expenses of the Association to be paid during the year and shall take into account any expected income to the Association as well as any surplus or deficit carried over from the preceding year. Any budget of the Association shall include:

- (i) The projected income to the Association by category;
- (ii) The projected Common Expenses and those specially allocated expenses that are subject to being budgeted, both by category;
- (iii) The amount of the assessments per Lot and the date the assessments are due;
- (iv) The current amount of regular assessments budgeted for contribution to the reserve account;
- (v) A statement of whether the Association has a reserve study that meets the requirements of applicable statutes and, if so, the extent to which the budget meets or deviates from the recommendations of that reserve study; and
- (vi) The current deficiency or surplus in reserve funding expressed on a per Lot basis.

(b) Budget Ratification. Within thirty (30) days after adoption of any proposed budget for the Association, the Board shall provide each Owner a copy of the budget and a notice of a meeting of the Lot Owners to consider ratification of the budget, which shall be held not less than fourteen (14) nor more than fifty (50) days after providing the budget to the Owners. Unless at that meeting the Owners of Lots to which a majority of the votes in the Association are allocated vote to reject the budget, the budget and the assessments against the Lots are ratified,

whether or not a quorum is present. If the proposed budget is rejected or the required notice not given, the budget last ratified by the Owners shall continue in effect until such time as the Owners ratify a subsequent budget proposed by the Board.

(c) Components of The Regular Assessment; Cost Centers.

(i) General Assessment Component. The Common Expenses of the Association, exclusive of Common Expenses budgeted to any Cost Center, shall be the “General Assessment Component” of the Regular Assessment and shall take into account the amount of contributions to be made pursuant to any maintenance agreement to defray Common Expenses included in the General Assessment Component.

(ii) Cost Center Assessment Component. When a Cost Center is established, the expenses of operating, maintaining and replacing the included Improvements or maintenance areas (including, without limitation, reserve contributions and expenses for insurance and management, utility, legal, accounting and patrol services) shall be borne solely or disproportionately by the Owners of the Lots within the designated Cost Center (“Cost Center Assessment Component”).

(d) Allocation of Regular Assessment.

(i) General Assessment Component. The General Assessment Component shall be allocated among and charged to all the Owners according to the ratio of the number of Lots owned by the assessed Owner to the total number of Lots subject to assessment so that each Lot bears an equal share of the aggregate General Assessment Component.

(ii) Cost Center Assessment Component. Unless otherwise provided in the Supplemental Declaration establishing the Cost Center, each Lot within a designated Cost Center shall be allocated an equal share of the Cost Center Assessment Component of the Association’s Common Expenses chargeable to the Cost Center.

(e) Assessment Roll. That portion of the estimated Common Expenses assessed against and charged to each Owner shall be set forth and recorded in an Assessment roll which shall be maintained and available with the records of the Association and shall be open for inspection at all reasonable times by each Owner or his or her authorized representative for any purpose reasonably related to the Owner’s interest as a property Owner or as a Member of the Association. The Assessment roll (which may be maintained in the form of a computer printout) shall show, for each Lot, the name and address of the Owner of record, all Regular, Special and Special Individual Assessments levied against each Owner and his or her Lot, and the amount of such Assessments which have been paid or remain unpaid.

(f) Delivery of Notice of Assessment. No less than fifteen (15) days prior to the beginning of the next fiscal year, the Board shall deliver to each Owner a statement of the amount of the Regular Assessment for the next succeeding fiscal year.

(g) Failure to Make Estimate. If, for any reason, the Board fails to make an estimate of the Common Expenses for any fiscal year, then the Regular Assessment established by the last

budget ratified pursuant to Section 4.2(b) herein, , together with any Special Assessment made pursuant to Section 4.3(a)(i), below, for that year, shall be assessed against each Owner and his or her Lot on account of the then current fiscal year, and installment payments (as hereinafter provided) based upon such automatic Assessment shall be payable on the regular payment dates established by the Board.

(h) Installment Payment. The Regular Assessment made against each Owner shall be due and payable in advance to the Association in equal monthly installments on the first day of each month or on such other date or dates as may be established from time to time by the Association's Board. Installments of Regular Assessments shall be delinquent if not paid within fifteen (15) days of the due date as established by the Board.

#### 4.3 Special Assessments.

(a) Purposes for Which Special Assessments May Be Levied. The Board may, at any time, propose a Special Assessment by approving and submitting a supplemental budget to the Owners for ratification. The Special Assessment is effective only if the Board follows the procedures for ratification of a budget set forth in Section 4.2(b) herein and the Owners do not reject the proposed supplemental budget. Pursuant to a properly ratified budget, the Board shall have the authority to levy Special Assessments against the Owners and their Lots for the following purposes:

(i) Regular Assessment Insufficient in Amount. If, at any time, the Regular Assessment for any fiscal year is insufficient in amount due to extraordinary expenses not contemplated in the budget prepared for said fiscal year, and the Owners ratify the supplemental budget as set forth herein, then the Board shall levy and collect a Special Assessment, applicable to the remainder of such year only, for the purpose of defraying, in whole or in part, any deficit which the Association may incur in the performance of its duties and the discharge of its obligations hereunder.

(ii) Capital Improvements. The Board may also levy Special Assessments for Capital Improvements within the Common Elements. The Special Assessment power conferred hereunder is not intended to diminish the Board's obligation to plan and budget for normal maintenance, and replacement repair of the Common Elements or existing Common Facilities through Regular Assessments (including the funding of reasonable reserves) and to maintain adequate insurance on the Common Elements and any Common Facilities in accordance with Article 10, below.

(iii) Repair to Damage or Destruction of Common Facilities. The Board may also levy Special Assessments for repair or reconstruction of Common Facilities pursuant to the procedures outlined in Article 11 where insurance proceeds and reserves are insufficient to fund the repairs and/or replacements.

(iv) An extraordinary expense required by an order of a court.

(v) An extraordinary expense necessary to repair or maintain the Common

Elements or Common Facilities where a threat to personal safety is discovered.

(vi) An extraordinary expense necessary to repair or maintain the Common Elements or Common Facilities that could not have been reasonably foreseen by the Board in preparing and distributing the budget pursuant to Section (a), above; provided, however, that prior to the imposition or collection of an assessment under this subparagraph (iii), the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. The Board's resolution shall be delivered to the Members together with the notice of assessment.

(b) Cost Center Special Assessments. In the event that a Special Assessment is only needed to fund an extraordinary expense within a Cost Center, the Board may levy a Special Assessment that is applicable solely to that Cost Center pursuant to the budget ratification requirements set forth in Section 4.2(b) herein.

(c) Allocation and Payment of Special Assessments. Upon ratification of the supplemental budget as set forth herein, the Special Assessment shall be divided among, assessed against and charged to each Owner subject to the Special Assessment and his or her Lot in the same manner prescribed for the allocation of Regular Assessments pursuant to Section 4.2(d), above. The Special Assessment so levied shall be recorded on the Association's Assessment roll and notice thereof shall be delivered to each Owner.

Special Assessments for purposes described in subparagraph (a)(i) of this Section 4.3 shall be due as a separate debt of the Owner and a lien against his or her Lot, and shall be payable to the Association in equal monthly installments during the remainder of the then current fiscal year. Special Assessments for purposes described in subparagraph (a)(ii) and (a)(iii) of this Section 4.3 shall be due as a separate debt of the Owner and a lien against his or her Lot, and shall be payable in full to the Association within thirty (30) days after the delivery of such notice or within such extended period as the Board shall determine to be appropriate under the circumstances giving rise to the Special Assessment.

#### 4.4 Special Individual Assessments.

(a) Circumstances Giving Rise to Special Individual Assessments. In addition to the Special Assessments levied against all Owners in accordance with Section 4.3, above, the Board may impose Special Individual Assessments against an Owner in any of the circumstances described in subparagraphs (i) through (iii) below; provided, however, that no Special Individual Assessments may be imposed against an Owner pursuant to this Section 4.4 until the Owner has been afforded the notice and hearing rights to which the Owner is entitled pursuant to Section 13.5, below, and, if appropriate, has been given a reasonable opportunity to comply voluntarily with the Governing Documents. Subject to the foregoing, the acts and circumstances giving rise to liability for Special Individual Assessments include the following:

(i) Damage to Common Elements or Common Facilities. In the event that any damage to, or destruction of, any portion of the Common Elements or the Common Facilities

is caused by the willful misconduct or negligent act or omission of any Owner, any member of his or her family, or any of his or her tenants, guests, employees, licensees or invitees, the Board shall cause the same to be repaired or replaced, and all costs and expenses incurred in connection therewith (to the extent not compensated by insurance proceeds) shall be assessed and charged solely to and against such Owner as a Special Individual Assessment.

(ii) Expenses Incurred in Gaining Member Compliance. In the event that the Association incurs any costs or expenses to: (A) accomplish the payment of delinquent Assessments; (B) perform any repair, maintenance or replacement to any portion of the Jubilee Properties that the Owner is responsible to maintain under the Governing Documents but has failed to undertake or complete in a timely fashion; or (C) otherwise bring the Owner and/or his or her Lot into compliance with any provision of the Governing Documents, the amount incurred by the Association (including reasonable fines and penalties duly imposed hereunder, title company fees, accounting fees, court costs and reasonable attorneys' fees) shall be assessed and charged solely to and against such Owner as a Special Individual Assessment.

(iii) Required Maintenance on Lots. If any Lot is maintained so as to become a nuisance, fire or safety hazard for any reason, the Association shall have the right to enter said Lot, correct the condition and recover the cost of such action through imposition of a Special Individual Assessment against the offending Owner. Any entry on the property of any Owner by the Association shall be effected in accordance with Section 3.7(b), above.

(b) Levy of Special Individual Assessment and Payment. Once a Special Individual Assessment has been levied against an Owner for any reason described, and subject to the conditions imposed, in subparagraph (a) of this section, such Special Individual Assessment shall be recorded on the Association's Assessment roll and notice thereof shall be delivered to the affected Owner. The Special Individual Assessment shall thereafter be due as a separate debt of the Owner payable in full to the Association within thirty (30) days after the delivery of notice of the Assessment.

4.5 Purpose and Reasonableness of Assessments. Each Assessment made in accordance with the provisions of this Declaration is hereby declared and agreed to be for use exclusively: (a) to promote the recreation, health, safety and welfare of individuals residing within the Jubilee Properties; (b) to promote the enjoyment and use of the Jubilee Properties by the Owners and their families, tenants, invitees, licensees, guests and employees; and (c) to provide for the repair, maintenance, replacement and protection of the Common Elements and Common Facilities.

Each and every Assessment levied hereunder is further declared and agreed to be a reasonable Assessment, and to constitute a separate, distinct and personal obligation of the Owner of the Lot against which the Assessment is imposed that shall be binding on the Owner's heirs, successors and assigns; provided, however, that the personal obligation of each Owner for delinquent Assessments shall not pass to the Owner's successors in title unless expressly assumed by them. The Association shall also be entitled to collect delinquent Assessments through lien and foreclosure, as more particularly provided in Section 4.8, below.

4.6 Exemption of Certain Jubilee Properties from Assessments. Notwithstanding anything to the contrary contained in this Declaration or any other Governing Documents, the following real property subject to this Declaration shall be exempt from the Assessments and the lien thereof provided herein:

(a) Any portion of the Jubilee Properties dedicated and accepted by a local public authority;

(b) The Common Elements and Common Facilities;

(c) The Common Elements and Common Facilities within the Jubilee Properties owned or controlled by the Master Association;

(d) Any Lot owned by the Association; and

4.7 Maintenance of Assessment Funds.

(a) Bank Accounts. All sums received or collected by the Association from Assessments, together with any interest or late charges thereon, shall be promptly deposited in one or more insured checking, savings or money market accounts in a bank, credit union, or savings and loan association selected by the Board. In addition, the Board shall be entitled to make prudent investment of reserve funds in United States Treasury Bills and notes provided they are held to maturity, insured certificates of deposit, money market funds or similar investments consistent with the investment standards normally observed by trustees. The Board and such officers or agents of the Association as the Board shall designate shall have the exclusive control of said account(s) and investments and shall be responsible to the Owners for the maintenance at all times of accurate records thereof. Any interest received on deposits shall be credited proportionately to the balances of the various Assessment fund accounts maintained on the books of the Association as provided in subparagraph (b), below.

(b) Expenditure of Assessment Funds. Except as provided below, the proceeds of each Assessment shall be used only for the purpose for which such Assessment was made, and such funds shall be received and held in trust by the Association for such purpose. Notwithstanding the foregoing, the Board, in its discretion, may make appropriate adjustments among the various line items in the Board's approved general operating budget if the Board determines that it is prudent and in the best interest of the Association and its Members to make such adjustments. If the proceeds of any Special Assessment exceed the requirement of which such Assessment was levied, such surplus may, in the Board's discretion, be: (i) returned proportionately to the contributors thereof; (ii) reallocated among the Association's reserve accounts if any such account is, in the Board's opinion, underfunded; or (iii) credited proportionately on account of the Owners' future Regular Assessment obligations.

(c) Separate Accounts; Comingling of Funds. To preclude a multiplicity of bank accounts, the proceeds for all Assessments may be comingled in one or more accounts and

need not be deposited in separate accounts so long as the separate accounting records described herein are maintained. For purposes of accounting, but without requiring any physical segregation of assets, the Association shall keep a separate accounting of all funds received by it in payment of each Assessment and of all disbursements made therefrom; provided, however, that receipts and disbursements of Special Assessments made pursuant to Section 4.3(a)(i), above, shall be accounted for together with the receipts and disbursements of Regular Assessments, and a separate account shall be maintained for reserve funds as required herein and by law.

(d) Reserve Funds. The Board shall maintain a separate account for funds designated as reserve funds. The Board shall not expend reserve funds for any purpose other than repair, restoration, replacement, or maintenance of major components which the Association is obligated to repair, restore, replace, or maintain and for which the reserve fund was established (“reserve components”). However, the Board may withdraw funds from its reserve account to pay for unforeseen or unbudgeted costs that are unrelated to maintenance, repair or replacement of the reserve components. The Board shall record any such withdrawal in the minutes of the Association, cause notice of any such withdrawal to be given to all Owners, and adopt a repayment schedule not to exceed twenty-four (24) months unless it determines that repayment within twenty-four (24) months would impose an unreasonable burden on the Owners. The Board shall exercise prudent fiscal management in order to maintain the integrity of the Association’s reserve funds.

#### 4.8 Collection of Assessments; Enforcement of Liens.

(a) Delinquent Assessments. If any installment payment of a Regular Assessment or lump sum or installment payment of any Special Assessment or Special Individual Assessment assessed to any Owner is not paid within fifteen (15) days after the same becomes due, such payment shall be delinquent and the amount thereof may, at the Board’s election, bear interest at the maximum rate allowed by law commencing thirty (30) days after the due date until the same is paid. In addition to the accrual of interest, the Board is authorized and empowered to promulgate a schedule of reasonable late charges for any delinquent Assessments.

##### (b) Effect of Nonpayment of Assessments.

(i) Creation and Imposition of a Lien for Delinquent Assessments. All Assessments levied pursuant to this Article 4, (including any monetary fine levied against an Owner pursuant to the Governing Documents), shall constitute a lien upon the Owners’ Lot. Any lien so created shall also secure reasonable costs of collection, including attorneys’ fees, incurred by the Association in connection with the collection of delinquent Assessments or the enforcement of the Association’s assessment lien. The lien may also be enforced in any other manner permitted by law.

(ii) Actions for Money Judgment. In the event of a default in payment of any Assessment, the Association, in its name but acting for and on behalf of all other Owners, may initiate legal action, in addition to any other remedy provided herein or by law, to recover a money judgment or judgments for unpaid Assessments, costs and attorneys’ fees without

foreclosure or waiver of the lien securing same.

(iii) Limitation on Right of Association to Acquire Lots in Foreclosure. The Association shall not have the right or power to purchase Lots except at sales in foreclosure of liens for assessments, at which sales the Association may bid no more than the amount secured by its lien, but nothing herein contained shall be construed as prohibiting the Association from accepting a surrender or other conveyance which does not impose significant cost or liability upon the Association of a Lot from the Owner thereof.

4.9 Priorities. The Association's assessment lien hereunder shall be prior and superior to all other liens except: (a) all taxes, bonds, assessments and other levies which, by law, would be superior thereto; and (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to the transfer of such property pursuant to the exercise of a power of sale or a judicial foreclosure involving a default under such first Mortgage or other prior encumbrance.

#### 4.10 Capital Contribution Fee.

(a) Except as provided in subsection (b), within thirty (30) days of the resale of any Lot, the purchaser thereof shall pay to the Association, as a nonrefundable contribution to the Capital Improvement Fund, an amount equal to half the annual Jubilee Community Association Regular Assessment against the Lot in effect at the time of the closing of the sale or \$2,500.00, whichever is greater.

(b) The Capital Contribution Fee shall not be due upon the sale of Certain Jubilee Properties listed in Section 4.6, nor shall the Capital Contribution Fee be due if the Lot was transferred in a manner exempting it from real estate excise tax under Washington law. The burden shall be on the Owner to demonstrate exemption from real estate excise tax.

(c) The Capital Contribution Fee is a fee for the enhancement, improvement, and addition of Common Elements and Common Facilities. It is not an assessment and shall not be considered an advance payment of any regular or special assessments.

### **ARTICLE 5. DESIGN REVIEW AND APPROVAL OF IMPROVEMENT PROJECTS**

#### 5.1 Design Review Committee Approval of Improvements.

(a) Approval, Generally. Subject to the provisions of Section 5.7 below, prior to the construction or installation of any landscaping or Improvements within the Jubilee Properties, the Owner planning such landscaping or Improvements must submit to and receive approval from the Design Review Committee of a written request for the landscaping or Improvements. The procedures for requesting approval and the Design Review Committee's procedures for

reviewing and granting or denying approval of such written requests shall be the same as apply to the Master Association pursuant to Article VI of the Master Declaration, except as modified in this Article 5, and the provisions of Article VI of the Master Declaration shall be deemed to be incorporated herein for that purpose, except that any reference to the Association in that Article shall be interpreted to mean and refer to the Jubilee Community Association for purposes of this Article 5. The Owner's request shall include structural plans, specifications and plot plans satisfying the minimum requirements set forth in the Design Standards adopted pursuant to Section 6.05 of the Master Declaration. Unless the Design Review Committee's approval of the proposal is first obtained, no work on the Improvement shall be undertaken by or on behalf of any Owner.

(b) Modifications to Approved Plans Must Also Be Approved. Once a proposed work of Improvement has been duly approved by the Design Review Committee, no material modifications shall be made in the approved plans and specifications therefore and no subsequent alteration, relocation, addition or modification shall be made to the work of Improvement, as approved, without a separate submittal to, and review and approval by, the Committee. If the proposed modification will have, or is likely to have, a material effect on other aspects or components of the work, the Committee, in its discretion, may order the Owner and his or her contractors and agents to cease working not only on the modified component of the Improvement, but also on any other affected component.

In the event that it comes to the knowledge and attention of the Design Review Committee, or the agents or employees of either that a work of Improvement, or any modification thereof, is proceeding without proper approval, the Design Review Committee shall be entitled to exercise the enforcement remedies specified in Section 6.11 of the Master Declaration, including, without limitation, ordering an immediate cessation and abatement of all aspects of the work of Improvement by "red tagging" the project until such time as proper Design Review Committee review and approval is obtained.

5.2 Establishment of Design Review Committee. The Design Review Committee shall consist of at least five (5) and not more than seven (7) members (provided that the number of Design Review Committee members shall be an odd number), as determined by the Board from time to time and each of which shall be appointed by the Board. The members of the Design Review Committee shall be subject to removal by the Board and any vacancies from time to time shall be filled by appointment made by the Board.

5.3 Powers and Duties. It shall be the duty of the Design Review Committee to consider and act upon proposals and plans for Improvements submitted to it pursuant to this Declaration and in accordance with Article VI of the Master Declaration, to prepare and recommend proposed Design Standards for adoption by the Board pursuant to Section 5.7 below, to perform other duties delegated to it by the Board and to carry out all other duties imposed upon it by this Declaration and the Master Declaration. Such powers and duties of the Design Review Committee include holding meetings, recommending Design Standards, enforcing plan and specification approvals and abating unauthorized improvements, and granting variances, as more specifically described in Article VI of the Master Declaration. The Design Review

Committee shall apply the same basis for approval of improvements as provided in Section 6.06 of the Master Declaration. In addition, the Master Declaration's provisions shall apply for establishing time limits for approval or rejection of submitted plans and specifications, the Owner's obligations to diligently proceed with approved work, including landscaping, and the consequences for failing to complete approved work and enforcement rights.

5.4 Variances. The Design Review Committee shall be entitled to allow reasonable variances in any procedures specified in this Article or the minimum construction standards specified in Article 6, below, to overcome practical difficulties, avoid unnecessary expense or prevent unnecessary hardship.

5.5 Limitation on Liability. Neither the Association, the Design Review Committee nor any member thereof shall be liable to any Owner for any damage, loss or prejudice suffered or claimed on account of any mistakes in judgment, negligence or nonfeasance arising out of: (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective; (b) the construction or performance of any Improvement project, whether or not pursuant to approved plans, drawings specifications; (c) the development of any Lot within the Jubilee Properties; or (d) the granting of a variance pursuant to Section 5.4, above.

5.6 Compliance With Governmental Regulations. Review and approval by the Design Review Committee of any proposals, plans or other submittals pertaining to Improvements shall in no way be deemed to constitute satisfaction of, or compliance with, any building permit process or any other governmental requirements, the responsibility for which shall lie solely with the Lot Owner who desires to construct, install, or modify the Improvement.

5.7 Design Standards. Notwithstanding anything to the contrary contained in this Declaration: (a) the Board may, from time to time, adopt, amend and repeal design standards and procedures to be used by the Design Review Committee in rendering its decisions (the "Design Standards"), and (b) the Design Review Committee may, from time to time, prepare proposed Design Standards and recommend to the Board that such proposed Design Standards be adopted. The Design Standards may include, without limitation, provisions regarding: (i) the size of Residences; (ii) architectural design, with particular regard to the harmony of the design with the surrounding structures and topography; (iii) placement of Residences and other buildings; (iv) landscaping design, content and conformance with the character of the Jubilee Properties and permitted and prohibited plants; (v) requirements concerning exterior color schemes, exterior finishes and materials; (vi) signage; and (vii) perimeter and screen wall design and appearance. The Design Standards may also contain general provisions that are applicable to all of the Jubilee Properties as well as provisions that vary from one portion of the Jubilee Properties to another depending upon the location, unique characteristics and intended use thereof."

5.8 Appeals of Design Review Committee Decisions. Notwithstanding anything to the contrary contained in this Declaration, any Owner that is aggrieved by a decision made by the Design Review Committee pursuant to this Article V may appeal such decision to the Board by delivering written notice of such request for appeal to the Board within thirty (30) days after

the Owner receives written notice of the Design Review Committee's decision. Failure of any Owner to timely deliver such written request for appeal to the Board shall constitute such Owner's waiver of its right under this Section 5.8 to appeal the applicable decision of the Design Review Committee. Subject to the terms and provisions of this Section 5.8, the appeal of any decision of the Design Review Committee shall be brought and resolved in accordance with the appeal procedures to be established, from time to time, by the Board. In the event the Board affirms the decision of the Design Review Committee on all issues and questions presented by the Owner on appeal, then the Design Review Committee's decision shall remain unchanged and in full force and effect and shall not be subject to any further appeal by the Owner. If, on the other hand, the Design Review Committee's decision is overruled by the Board on any issue or question presented on appeal, then the prior decision of the Design Review Committee shall be deemed modified to the extent specified by the Board, and for the purposes of this Declaration, such decision, as so modified, shall thereafter be deemed the decision of the Design Review Committee. In this regard, the Board shall have the authority to modify or overrule the decision of the Design Review Committee on any issue or question presented to it on appeal. All decisions of the Board in the appeal of any Design Review Committee decision shall be final and shall not be subject to further review or appeal.

#### **ARTICLE 6. MINIMUM CONSTRUCTION STANDARDS**

Unless a variance is requested from, and granted by, the Design Review Committee in accordance with Section 5.4, above, or unless otherwise provided in a Supplemental Declaration, Improvements constructed on any Lot shall conform to the minimum construction standards established in Article VII of the Master Declaration.

6.1 Approval by Design Review Committee. No building, fence, wall or other permanent structure or improvement shall be erected, altered, or placed on any Lot until building plans, specifications and a plot plan showing the proposed location of such building, fence, wall or other permanent structure or improvement have been submitted to the Design Review Committee for review and approval as described in Article 5, above

6.2 Single Story Residences. All Residences shall be single-story in height and design; provided, however, that Residences within Phase 3 – Units 17 and 18 shall be no more than two stories in height and design.

6.3 Fences. All screening and fencing must be approved by the appropriate Design Review Committee and must be designed to conform to the design of the proposed or existing residence; such screening must be architecturally designed and in its construction wood, rock, masonry, wrought iron, or other material approved in the Design Standards, or a combination thereof shall be employed. Screening and fencing must be so designed as to face its most attractive side toward the street or toward any neighboring vacant Lots or Common Elements. The screening must be a quality design, construction and materials to complement the existing adjacent structures.

6.4 Over-the-Air Reception Devices. No outside satellite dishes, aerials, antennas, or

other such device (“Over-the-Air Reception Device”) with a diameter or diagonal measurement greater than one meter or thirty-nine (39) inches, or such other maximum size as established by applicable law, shall be erected or constructed to be placed in any Common Elements or any Lot. Over-the-Air Reception Devices with a diameter or diagonal measurement of one meter or thirty-nine (39) inches or less may be installed only if approved by the Design Review Committee in accordance with the provisions of Article V, above. Reasonable restrictions which do not significantly increase the cost of an Over-the-Air Reception Device or significantly decrease its efficiency or performance, including, without limitation, a requirement that Over-the-Air Reception Devices be screened from view from streets or neighboring Lots, the Golf Course, or Common Elements, may be imposed as part of the Design Standards. The Design Standards for the placement of Over-the-Air Reception Devices shall comply with any applicable FCC requirements and any amendments thereof.

6.5 Front Yard Landscaping. Usage of artificial materials in the front yard such as plastic plants, flowers, or graveled gardens shall not be permitted as established in Section 6.10 of the Master Declaration. Furthermore, homeowners use of monumentation in the front yard areas shall require the Design Review Committee approval.

## **ARTICLE 7. EXTERIOR MAINTENANCE RESPONSIBILITIES**

Unless otherwise provided in a Supplemental Declaration applicable to a Phase or Phases of the Jubilee Properties, the following allocation of maintenance, repair and replacement obligations shall apply to Lots and Common Elements within the Jubilee Properties:

7.1 Master Association Maintenance Responsibilities. The Master Association shall have those maintenance, repair and replacement responsibilities within the Jubilee Properties identified in Section 8.01 of the Master Declaration.

7.2 Maintenance and Repair Responsibilities of the Association.

(a) Common Elements Maintenance Obligations, Generally. The Association shall be solely responsible for all maintenance, repair, upkeep and replacement within the Common Elements of the Jubilee Properties. No person other than the Association or its duly authorized agents shall construct, reconstruct, refinish, alter or maintain any Improvement upon, or shall create any excavation or fill or change the natural or existing drainage of any portion of the Common Elements. In addition, no person shall remove any tree, shrub or other vegetation from, or plant any tree, shrub, or other vegetation upon the Common Elements without express approval of the Association. Maintenance of private streets within the Jubilee Properties that are established as Cost Centers shall be to a level substantially equivalent to the City of Lacey’s street maintenance schedule for public streets within the City.

(b) Commencement of Maintenance of Common Elements. Notwithstanding any conveyance of Common Elements to the Association, the Association’s responsibility to maintain the Common Elements located in any Phase shall not begin until the later of the following events: (i) inspection and approval of such Common Elements by the Association, not

to be unreasonably withheld or delayed, or (ii) commencement of Regular Assessments in such Phase; except that, if such Phase consists of only Common Elements, subdivision (ii) shall be inapplicable.

(c) Association Front Yard Lot Maintenance. The Association shall have the right to maintain front yards of all Lots on which a Residence is constructed (including repairing, maintaining, and replacing the landscape and designated irrigation components, as specified by Board policy, within the front yard areas of Lots) if so provided by an action by the Board authorizing a maintenance agreement between the Association and landscape maintenance contractor.

7.3 Owner Maintenance Responsibility. Except as set forth herein, each Owner shall be responsible for the maintenance and repair of his or her Residence and Lot. Without limiting the foregoing, Lot and Residence maintenance shall be conducted at a level and with such consistency as to prevent the Lot/Residence from becoming unsightly. No weeds, rubbish, debris, objects, equipment, or materials of any kind shall be placed or permitted to accumulate on any Lot so as to be or become unsightly, offensive or detrimental to the high aesthetic standards generally prevailing within the development. This includes seasonal irrigation and yard maintenance consistent within the Design Standards. The Owner of each Lot appurtenant to a sidewalk shall be responsible for snow removal from the adjacent sidewalk area.

7.4 Association Recovery of Costs of Certain Repairs and Maintenance.

(a) Association Maintenance Caused by Owner Negligence. If the need for maintenance or repair, which would otherwise be the Association's responsibility hereunder is caused through the willful or negligent acts of an Owner, his or her family, guests, tenants, or invitees, and is not covered or paid for by Association insurance policies or any liability insurance maintained by the responsible Owner, the cost of such maintenance or repairs shall be subject to recovery by the Association through the imposition of a Special Individual Assessment against the offending Owner in accordance with Section 4.4, above.

(b) Owner Defaults in Maintenance Responsibilities. If an Owner fails to perform maintenance or repair functions on the Owner's Lot for which he or she is responsible, the Association may give written notice to the offending Owner with a request to correct the failure within fifteen (15) days after receipt thereof. If the Owner refuses or fails to perform any necessary repair or maintenance, the Association may exercise its rights under Section 3.7(b), above, to enter the Owner's Lot and perform the repair or maintenance so long as the Owner has been given notice and the opportunity for a hearing in accordance with Section 13.5, below.

7.5 Cooperative Maintenance Obligations. To the extent necessary or desirable to accomplish the Association's maintenance obligations hereunder, individual Owners shall cooperate with the Association and the agents and maintenance personnel of the Association in the prosecution of their respective maintenance activities.

## **ARTICLE 8. USE OF JUBILEE PROPERTIES AND RESTRICTIONS**

In addition to the restrictions established by law or by Jubilee Association Rules promulgated by the Board (consistent with this Declaration), and the property use restrictions contained in Article IX of the Master Declaration, the following additional property use restrictions are hereby imposed upon the use of Lots, Common Elements and other parcels within the Jubilee Properties:

### 8.1 Age Restrictions.

(a) Permitted Occupancy. Each Residence within the Jubilee Properties, if occupied, must be occupied by at least one (1) Qualifying Resident, a person fifty-five (55) years of age or older. All other persons occupying a Residence shall be Qualified Permanent Residents as defined in Article 1, above. Provided, however, that a Permitted Health Care Resident may occupy a Residence for any period that such person is actually providing live-in, long-term, or hospice health care to a Qualifying Resident for compensation.

(b) Occupancy Exceptions. Upon the death or dissolution of marriage, or upon hospitalization, or other prolonged absence of the Qualifying Resident, any Qualified Permanent Resident shall be entitled to continue his/her occupancy, residency or use of the Residence; provided, however, that the Board determines that such continued occupancy shall not result in less than eighty percent (80%) of the Residences being occupied by at least one Qualifying Resident. This Section is intended to comply with the Fair Housing Act Amendments of 1988 and the Housing for Older Persons Act of 1995, as they may be amended from time to time.

(c) Guests. The Qualifying Resident and Qualified Permanent Resident may have as guests persons under fifty-five (55) years of age for periods of time, up to sixty (60) days total for each such guest in any calendar year.

### 8.2 Use of Lots.

(a) Single Family Residential Use. All Lots within the Jubilee Properties shall be used solely for the construction of Residences whose occupancy and use shall be restricted to Single Family Residential Use. In no event shall a Residence be occupied by more individuals than permitted by applicable law, zoning or other local governmental regulation.

(b) Construction and Design. All Residences and related structures erected on any Lot shall conform to the minimum construction standards set forth in Article 6, above, or in the Design Standards, unless a variance has been granted by the Design Review Committee in accordance with Section 5.4, above.

(c) Temporary Occupancy of a Lot. No camping, whether temporary or permanent, and no temporary structures of any kind shall be permitted on any Lot.

(d) Conveyance of Fee Simple Interest. Each Lot shall be conveyed as a separately designated and legally described fee simple estate, subject to this Declaration.

### 8.3 Common Elements.

(a) Use of Common Elements. Except for Common Facilities, the Common Elements shall be preserved as open space, and the Common Elements and Common Facilities shall be used for recreational and other purposes incidental and ancillary thereto. Such use shall be limited to private use for aesthetic and recreational purposes by the Members and their tenants, families and guests, subject to the provisions of the Governing Documents. No Improvement, excavation or work which in any way alters any Common Elements or Common Facility from its natural or existing state on the date such Common Elements or Common Facility were conveyed or transferred to the Association shall be made or done except by the Association and then only in strict compliance with the provisions of this Declaration.

(b) Pesticides and Fertilizers. Pesticides, fertilizers and other chemicals will be utilized in connection with the maintenance of the open space Common Elements and the Owners acknowledge, accept the use and assume the risk of such pesticides, fertilizers and chemicals.

(c) Overspray. Owners of Lots, particularly Owners of Lots abutting or adjacent to any Common Element open space, may experience “overspray” from Common Element irrigation systems, and the Owners acknowledge, accept and assume the risk of such “overspray.” Water used to irrigate the Golf Course and Common Elements may be untreated irrigation water obtained from the local water agency.

(d) Noise and Light. Owners of Lots, particularly Owners of Lots in proximity to the Association’s Common Facilities, may be exposed to lights, noise or activities resulting from use of such Common Facilities for dining and entertainment and use of the parking lot, and the Owners acknowledge, accept and assume the risk of such light, noise or activities.

(e) Maintenance. Portions of the Common Elements, including the open space areas may require daily maintenance, including mowing, irrigation and grooming, during early morning and evening hours, including without limitation the use of tractors, blowers, pumps, compressors and utility vehicles. Owners of Lots, particularly Owners of Lots in proximity of the open space portions of the Common Elements, will be exposed to the noise and other effects of such maintenance, and the Owners acknowledge, accept and assume the risk of such noise and effects.

8.4 Variances. Upon application by any Owner, the Board shall be authorized and empowered to grant reasonable variances from the property use restrictions set forth in this Article 8, if specific application of the restriction will, in the sole discretion of the Board, either cause an undue hardship to the affected Owner or fail to further or preserve the common plan and scheme of development contemplated by this Declaration.

8.5 Enforcement of Property Use Restrictions. The objective of this Declaration shall be to promote and seek voluntary compliance by Owners and tenants with the environmental standards and property use restrictions contained herein. Accordingly, in the event that the Association becomes aware of a design review or property use infraction that does not

necessitate immediate corrective action under Section 13.5, below, the Owner or tenant responsible for the violation shall receive written notice thereof and shall be given a reasonable opportunity to comply voluntarily with the pertinent Governing Document provision(s). Such notice shall describe the noncomplying condition, request that the Owner or tenant correct the condition within a reasonable time specified in the notice and advise the Owner or tenant of his or her right to be heard on the matter.

8.6 Golf Course Entry. Neither the Association, nor any Owner or Sub-Association shall have any right of entry on to the Golf Course without the prior written consent of the owner of the Golf Course. Without limiting the foregoing, no Owner, Resident, or other occupant of a Lot, shall have a right of access to any portion of the Golf Course directly from any Lot or Common Element.

8.7 No Representations or Warranties. Ownership or operation of the Golf Course may change at any time. The consent of the Association or any Owner is not required to effect any change in the ownership or operation of the Golf Course. All Owners are hereby advised that no representations or warranties have been made or are made by the owner of the Golf Course regarding the continuing existence, ownership or operation of the Golf Course.

8.8 Right to Use the Golf Course. Neither being an Owner of a Lot within the Jubilee Properties or being a Member of the Association confers any ownership interest in or right to use the Golf Course (see Section 2.6, above).

## **ARTICLE 9. EASEMENTS**

### 9.1 Utility Easements.

(a) Over Common Elements. There is hereby created a blanket easement upon, across, over and under the Common Elements for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones, drainage and electricity and the master television antenna or cable television system. By virtue of this easement, it shall be expressly permissible for the providing utility company to erect and maintain the necessary equipment and underground facilities on the Common Elements at locations approved by the Association Design Review Committee. Notwithstanding the foregoing, no sewer, electrical lines, water lines, or other utilities may be installed or relocated on said Jubilee Properties except as approved by the Association's Design Review Committee. The easements provided for in this section shall in no way affect any other recorded easement on the Jubilee Properties.

(b) Over Lots. There is hereby created an easement for utilities and drainage upon, across, over and under the following portions of each Lot: (a) the exterior ten (10) feet, parallel with and adjoining the street frontage of all Lots, (ii) the two and one-half (2 1/2) feet adjacent to and parallel with all interior Lot lines, and (iii) the five (5) feet adjacent to and parallel with all rear Lot lines. Such easement shall be for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones, drainage and

electricity and the master television antenna or cable television system. By virtue of this easement, it shall be expressly permissible for the providing utility company to erect and maintain the necessary equipment and underground facilities within each Lot at locations approved by the Association Design Review Committee. Notwithstanding the foregoing, no sewer, electrical lines, water lines, or other utilities may be installed or relocated on said Jubilee Properties except as approved by the Association's Design Review Committee. The easements provided for in this section shall in no way affect any other recorded easement on the Jubilee Properties.

9.2 Maintenance Easements. An easement is hereby granted to the Association, its officers, agents, employees, and to any management company or contractor selected by the Association to enter in or to cross over the Common Elements and any Lot to perform the Association's duties of maintenance and repair of the Lots, Common Elements, and Common Facilities as provided herein,

9.3 Other Easements. Each Lot and its Owner and the Association, are hereby declared to be subject to all the easements, dedications and rights-of-way granted or reserved in, on, over and under the Jubilee Properties and each Lot as shown on the Subdivision Plat for any portion of the Jubilee Properties.

## **ARTICLE 10. INSURANCE**

10.1 Types of Insurance Coverage. The Association shall, at the discretion of the Board purchase, obtain and maintain, with the premiums therefore being paid out of Common Expenses, the following types of insurance, if and to the extent they are available at a reasonable premium cost:

(a) Property Insurance. A policy of special form property insurance naming as parties insured the Association and containing the standard extended coverage and replacement cost endorsements and such other or special endorsements as will afford protection and insure, for the full insurable, current replacement cost (excluding foundations and excavation, but without deduction for depreciation) as determined annually by the insurance carrier, of all Common Facilities and the personal property of the Association for or against the following:

- (i) Loss or damage by fire or other risks covered by the standard extended coverage endorsement.
- (ii) Loss or damage from theft, vandalism or malicious mischief.
- (iii) Such other risks, perils or coverage as the Board may determine.

Such policy or the endorsement made a part thereof shall, to the extent available, provide that the insurer issuing the policy agrees to abide by the decision of the Association made in accordance with the provisions of Article 11, below, as to whether or not to repair, reconstruct or restore all or any damaged or destroyed portion of the Common Facilities.

(b) General Liability Insurance. To the extent such insurance is reasonably

obtainable, a policy of comprehensive general liability insurance naming as parties insured the Association, each member of the Board, any manager, anyone acting on the Association's behalf, the Owners and occupants of Lots, and such other persons as the Board may determine. The policy will insure each named party against any liability incident to the ownership and use of the Common Elements and including, if obtainable, a cross-liability or severability of interest endorsement insuring each insured against liability to each other insured. The limits of such insurance shall not be less than One Million Dollars (\$1,000,000.00) covering all claims for death, personal injury and property damage arising out of a single occurrence. Such insurance shall include coverage against water damage liability, liability for non-owned and hired automobiles, liability for property of others and any other liability or risk customarily covered with respect to common interest development projects similar in construction, location, facilities, and use.

(c) Directors and Officers Liability Insurance. To the extent such insurance is reasonably obtainable, the Association shall maintain a policy or policies of director's and officer's liability insurance providing coverage of at least One Million Dollars (\$1,000,000.00).

(d) Additional Insurance and Bonds. To the extent such insurance is reasonably obtainable, the Association may also purchase with Common Expenses such additional insurance and bonds as it may, from time to time, determine to be necessary or desirable, including, without limiting the generality of this section, demolition insurance and workers' compensation insurance. The Board shall also purchase and maintain fidelity bonds or insurance in an amount not less than five percent (5%) of each year's estimated annual operating income and shall contain an endorsement of any person who may serve on the Board's behalf. The Board shall purchase and maintain such insurance on personal property owned by the Association and any other insurance, including directors and officers' liability insurance, that it deems necessary or desirable.

10.2 Coverage Not Available. In the event any insurance policy, or any endorsement thereof, required by Section 10.1, above, is for any reason unavailable, then the Association shall obtain such other or substitute policy or endorsement as may be available which provides, as nearly as possible, the coverage described in this Article 10. The Board shall notify the Owners of any material adverse changes in the Association's insurance coverage.

10.3 Copies of Policies. Copies of all insurance policies (or certificates thereof showing the premiums thereon have been paid) shall be retained by the Association and shall be available for inspection by Owners at any reasonable time.

10.4 Trustee. All insurance proceeds payable under Section 10.1, above, may, in the discretion of the Board, be paid to a trustee to be held and expended for the benefit of the Owners and others, as their respective interests shall appear. Said trustee shall be a commercial bank in the County that agrees in writing to accept such trust.

10.5 Adjustment of Losses. The Board is appointed attorney-in- fact by each Owner to negotiate and agree on the value and extent of any loss under any policy carried pursuant to Section 10.1, above. The Board is granted full right and authority to compromise and settle any

claims or enforce any claim by legal action or otherwise and to execute releases in favor of any insured.

## **ARTICLE 11. DAMAGE OR DESTRUCTION**

11.1 Common Facilities; Bids and Determination of Available Insurance Proceeds. In the event any Common Facilities are ever damaged or destroyed, then, and in such event, as soon as practicable thereafter the Board shall: (a) obtain bids from at least two reputable, licensed contractors, which bids shall set forth in detail the work required to repair, reconstruct and restore the damaged or destroyed portions of the Common Facilities to substantially the same condition as they existed prior to the damage and the itemized price asked for such work; and (b) determine that amount of all insurance proceeds available to the Association for the purpose of effecting such repair, reconstruction and restoration.

11.2 Common Facilities; Sufficient Insurance Proceeds. Subject to the provisions of Section 11.1, above, if, in the event of damage to or destruction of any portion of any Common Facility, the insurance proceeds available to the Association are sufficient to cover the costs of repair, reconstruction and restoration, then the Association may cause such facilities to be repaired, reconstructed and restored; provided, however, that in the event of a total destruction of a Common Facility, the Association shall not be obligated to restore the facility to its prior appearance and condition if in the Board's opinion, architectural or design modifications to the facility will result in providing the Members with an improved facility available for substantially the same use and enjoyment as the destroyed facility.

11.3 Common Facilities; Insufficient Insurance Proceeds. In the event that any Common Facility is totally or substantially damaged or destroyed or, if, in the event of damage to or destruction of only a portion of the Common Facilities, the insurance proceeds and capital replacement reserves available to the Association for the repair, replacement or major reconstruction of the damaged or destroyed facility are insufficient to pay the estimated or actual cost of such repair and reconstruction, the Association may, pursuant to Article 4 above, levy, assess and collect in advance from all Owners, a special assessment sufficient to provide funds to pay such estimated or actual costs of repair and reconstruction in accordance with the budget ratification procedures outlined in Article 4. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair and reconstruction.

11.4 Decision Not to Rebuild. If Owners representing at least sixty-seven percent (67%) of the total allocated votes in the Association, and sixty-seven percent (67%) of the first Mortgagees (based upon one vote for each Mortgage owned) of the Lots agree in writing not to repair and reconstruct and no alternative improvements are authorized, then and in that event the Jubilee Properties shall be restored to its natural state and maintained as an undeveloped portion of the Common Elements by the Association in a neat and attractive condition, and any remaining insurance proceeds shall be retained by the Association and utilized as determined by the Board and as required by Section 14.6(e).

### 11.5 Damage or Destruction of Residences.

(a) Obligation to Rebuild or Clear Damaged Structures. If all or any portion of any Residence is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner of said Residence to rebuild, repair or reconstruct said Residence or clear the Lot of all damaged or destroyed structures or portions thereof. If structural improvements other than a Residence, garage or fence are damaged or destroyed and the Owner prefers not to rebuild the improvement, the Owner shall clear his or her Lot of all damaged or destroyed materials and return the affected area to an attractive appearance.

(b) Design Review Committee Approval. Any Owner whose Residence or other structural improvements have been damaged or destroyed shall apply to the Design Review Committee for approval of plans for the reconstruction, rebuilding, or repair of the damaged or destroyed Residence or structure. Application for such approval shall be made in writing together with full and complete plans, specifications, working drawing and elevations showing the proposed reconstruction and the end result thereof. The Design Review Committee shall grant such approval only if the design proposed by the Owner satisfies the requirements for approval set forth in Article 10, above.

(c) Time Limitation for Reconstruction or Removal. The Owner or Owners of any damaged Residence(s) and the Design Review Committee shall be obligated to proceed with all due diligence hereunder to remove damaged structures (or portions thereof), prepare and process reconstruction plans and specifications and complete the repair and restoration work. At a minimum, whenever Owners are required to prepare and submit repair or reconstruction plans to the Design Review Committee, said submittal shall be made within sixty (60) days following the event and reconstruction shall commence within forty-five (45) days following receipt of approval from the Committee. The Design Review Committee may impose reasonable deadlines for completion of any repair or reconstruction project.

## **ARTICLE 12. CONDEMNATION**

If all or part of the Common Elements shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages for or on account of the taking of the Common Elements, exclusive of compensation for consequential damages to certain affected Lots or Parcels, shall be payable to the Association as trustee for all Owners and mortgagees according to the loss or damages to their respective interest in the Common Elements. The Association, acting through its Board, shall have the right to act on behalf of the Owners with respect to the negotiation, settlement and litigation of the issues with respect to the taking and compensation affecting the Common Elements. Each Owner hereby designates and appoints the Association as his or her attorney-in-fact for such purposes.

## **ARTICLE 13. BREACH AND DEFAULT**

13.1 Remedy at Law Inadequate. Except for the nonpayment of any Assessment, it is hereby expressly declared and agreed that the remedy at law to recover damages for the breach,

default or violation of any of the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration is inadequate and that the failure of any Owner, tenant, occupant or user of any Lot, or any portion of the Common Elements or Common Facilities, to comply with any provision of the Governing Documents may be enjoined by appropriate legal proceedings instituted by any Owner, the Association, its officers or Board or by their respective successors in interest.

13.2 Costs and Attorneys' Fees. In any action brought because of any alleged breach or default of any Owner or other party hereto under this Declaration, the court may award to the prevailing party in such action such attorneys' fees and other costs as it may deem just and reasonable.

13.3 Cumulative Remedies. The respective rights and remedies provided by this Declaration or by law shall be cumulative, and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or at different times, of any other such rights or remedies for the same or any different default or breach or for the same or any different failure of any Owner or others to perform or observe any provision of this Declaration.

13.4 Failure Not a Waiver. The failure of any Owner, the Board, the Association or its officers or agents to enforce any of the covenants, conditions, restrictions, limitations, reservations, grants or easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter, nor shall such failure result in or impose any liability upon the Association or the Board, or any of its officers or agents.

13.5 Rights and Remedies of the Association.

(a) Rights Generally. In the event of a breach or violation of any Jubilee Association Rules or of any of the restrictions contained in any Governing Document by an Owner, his or her family, or the Owner's guests, employees, invitees, licensees, or tenants, the Board, for and on behalf of all other Owners, may enforce the obligations of each Owner to obey such Jubilee Association Rules, covenants, or restrictions through the use of such remedies as are deemed appropriate by the Board and available in law or in equity, including but not limited to the hiring of legal counsel, the imposition of fines and monetary penalties, the pursuit of legal action, or the suspension of the Owner's right to use recreation Common Facilities or suspension of the Owner's voting rights as a Member of the Association; provided, however, the Association's right to undertake disciplinary action against its Members shall be subject to the conditions set forth in this section.

The decision of whether it is appropriate or necessary for the Association to take enforcement or disciplinary action in any particular instance shall be within the sole discretion of the Association's Board or its duly authorized enforcement committee. If the Association declines to take action in any instance, any Owner shall have such rights of enforcement as may be available in law or in equity.

(b) Schedule of Fines. The Board may implement a schedule of reasonable fines and

penalties for particular offenses that are common or recurring in nature and for which a uniform fine schedule is appropriate (such as fines for late payment of Assessments or illegally parked vehicles). Once imposed, a fine or penalty may be collected as a Special Individual Assessment (see Section 4.4, above).

(c) Definition of “Violation”. A violation of the Governing Documents shall be defined as a single act or omission occurring on a single day. If the detrimental effect of a violation continues for additional days, discipline imposed by the Board may include one component for the violation and, according to the Board’s discretion, a per diem component for so long as the detrimental effect continues. Similar violations on different days shall justify cumulative imposition of disciplinary measures. The Association shall take reasonable and prompt action to repair or avoid the continuing damaging effects of a violation or nuisance occurring within the Common Elements at the cost of the responsible Owner.

(d) Limitations of Disciplinary Rights. No penalty or temporary suspension of rights shall be imposed pursuant to this Article unless the Owner alleged to be in violation is given at least fifteen (15) days’ prior notice of the proposed penalty or temporary suspension and is given an opportunity to be heard before the Board or appropriate committee established by the Board with respect to the alleged violation(s). at a hearing conducted at least 5 days before the effective date of the proposed disciplinary action.

Notwithstanding the foregoing, under circumstances involving conduct that constitutes: (i) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring Owners; (ii) a traffic or fire hazard; (iii) a threat of material damage to, or destruction of, the Common Elements or Common Facilities; or (iv) a violation of the Governing Documents that is of such a nature that there is no material question regarding the identity of the violator or whether a violation has occurred (such as late payment of Assessments or parking violations), the Board, or its duly authorized agents, may undertake immediate corrective or disciplinary action and, upon request of the offending Owner (which request must be received by the Association, in writing, within five days following the Association’s disciplinary action), or on its own initiative, conduct a hearing as soon thereafter as reasonably possible.

If the Association acts on its own initiative to schedule a hearing, notice of the date, time and location of the hearing shall accompany the notice of disciplinary action. If the accused Owner desires a hearing, a written request therefor shall be delivered to the Association no later than ten (10) days following the date when the fine is levied. The hearing shall be held not less than ten (10) days following the date of the disciplinary action nor more than thirty (30) days following receipt of the accused Owner’s request for a hearing, whichever is later. Under such circumstances, any fine or other disciplinary action shall be held in abeyance and shall only become effective if affirmed at the hearing.

At the hearing, the accused shall be given the opportunity to be heard, including the right to present evidence and to present or question witnesses. The Board shall notify the accused Owner, in writing, of the Board’s decision within five (5) business days following conclusion of the hearing. In no event shall the effective date of any disciplinary action commence sooner than

five (5) days following conclusion of the hearing unless: (i) the hearing merely affirms summary disciplinary action initiated pursuant to the immediately preceding paragraph; or (ii) earlier commencement is necessary to preserve the quiet enjoyment of other residents or to prevent further damage to, or destruction of, the Jubilee Properties or any portion thereof.

The notice and hearing procedures set forth in this Section 13.5 shall not apply to any actions by the Association or its duly authorized agents to collect delinquent assessments. Assessment collections shall be subject to Section 4.8, above, and any other notice, hearing and/or dispute resolution requirements or procedures as may be specifically applicable by law to Association assessment collection.

(e) Notices. Any notice required by this Article shall, at a minimum, set forth the date and time for the hearing, a brief description of the action or inaction constituting the alleged violation of the Governing Documents and a reference to the specific Governing Document provision alleged to have been violated. The notice shall be in writing and may be given by any method reasonably calculated to give actual notice; provided, however, that if notice is given by mail it shall be sent by first-class or certified mail sent to the last address of the Member shown on the records of the Association.

(f) Rules Regarding Disciplinary Proceedings. The Board, or an appropriate committee appointed by the Board to conduct and administer disciplinary hearings and related proceedings, shall be entitled to adopt rules that further elaborate and refine the procedures for conducting disciplinary proceedings. Such rules, when approved and adopted by the Board, shall become a part of the Jubilee Association Rules.

13.6 Court Actions. Court actions to enforce the Governing Documents may only be initiated on behalf of the Association by resolution of the Board.

## **ARTICLE 14. PROTECTION OF MORTGAGEES**

14.1 Assessment Lien Subordinated. Any lien created or claimed under the provisions of Section 4.8, above, shall be subject and subordinate to the lien of any first Mortgage given in good faith and for value. No such Mortgagee who acquires title to any Lot by judicial foreclosure or by exercise of power of sale contained in the Mortgage shall be obligated to cure any breach of this Declaration by a former Owner of such Lot or shall be liable for any unpaid Assessments made against the Lot which accrued prior to the date the Mortgagee acquired such title. No lien created or claimed under the provisions of Section 4.8, above, shall in any way defeat, invalidate or impair the rights of any Mortgagee under any such recorded Mortgage.

14.2 Amendment of This Declaration. Except where an amendment has been approved in accordance with Section 14.10, below, no amendment of this Declaration shall affect any of the rights of the holder of any Mortgage described in Section 14.1, above, which is made in good faith and for value, if such Mortgage is recorded and notice of the delivery and recording thereof is given to the Association prior to the recording of such amendment.

14.3 Default by Owner; Mortgagee's Right to Vote. In the event of a default by any

Owner under a Mortgage encumbering such Owner's Lot, the Mortgagee under such Mortgage shall, upon: (a) giving written notice to the defaulting Owner; (b) recording a Notice of Default in accordance with Washington law; and (c) delivering a copy of such recorded Notice of Default to the Association, have the right to exercise the vote of the Owner at any regular or special meeting of the Association held only during such period as such default continues.

14.4 Breach; Obligation After Foreclosure. No breach of any provision of this Declaration by the Association or any Owner shall impair or invalidate the lien of any recorded Mortgage made in good faith and for value and encumbering any Lot. The Association or its successor and assigns shall be obligated to abide by all of the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges and equitable servitudes provided for in this Declaration as it may be amended from time to time with respect to any person who acquires title to or any beneficial interest in any Lot through foreclosure, trustee's sale or otherwise.

14.5 Exchange of Information. The Association shall, at the written request of any Mortgagee, insurer or guarantor, notify such party of:

(a) Any condemnation or casualty loss that affects either a material portion of the Jubilee Properties or the Lot(s) securing the Mortgage;

(b) Any delinquency of sixty (60) days or more in the payment of Assessments or charges owed by the Owner(s) of the Lot(s) securing the Mortgage;

(c) A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

(d) Any proposed action of the Association that requires the consent of a specified percentage of Eligible Mortgagees (see Section 14.10(a) below, for definition of "Eligible Mortgagee").

To be entitled to receive this information, the Mortgagee, insurer or guarantor must send a written request to the Association, stating both its name and address and the number or address of the Lot(s) securing the Mortgage. Any Mortgagee of any Lot is hereby authorized to furnish to the Board upon written request by the Board therefor, the amount of any unpaid balance of any indebtedness secured by a lien of a Mortgage and the amount and due date of any delinquent payment or payments of such indebtedness.

14.6 Certain Restrictions Affecting the Association. Notwithstanding any other provisions of this Declaration, without the prior written consent of at least sixty-seven percent (67%) of the Owners or sixty-seven percent (67%) of the first Mortgagees, such percentage to be based upon the total of number of Lots so mortgaged, with each such Mortgagee entitled to one vote for each Lot, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements or any Improvements thereon (except that the granting of any easement for public utilities, or for other public purposes consistent with the intended use of the

Jubilee Properties, shall not be deemed a “transfer” as that term is used in this Section;

(b) Change the method provided for in this Declaration of determining the Assessments or other charges which may be assessed against an Owner, or the method of allocating distributions of hazard insurance proceeds or condemnation awards;

(c) By act or omission, change, waive or abandon the scheme of maintenance and repair of the Jubilee Properties, or the enforcement thereof, as provided for in this Declaration;

(d) Fail to maintain fire and extended coverage insurance on the Common Facilities in the amount and against the risks provided for in Section 10.1, above; and

(e) Use any insurance proceeds received as a result of the loss or damage to the Common Facilities for any purpose other than the repair, replacement or reconstruction of such Common Facilities.

14.7 Right of First Mortgagees to Make Certain Payments and Right of Reimbursement Therefore. The holders of first Mortgages on the Lots shall have the right (but not the obligation), jointly or singly: (a) to pay taxes or other Assessments or charges which are in default and which may or have become a lien or charge against the Common Facilities; (b) to pay overdue premiums on casualty insurance policies for the Common Facilities; and (c) to secure and pay for new casualty insurance coverage on the Common Facilities upon the lapse of any such policy, in the amount and against the risks provided for in Section 10.1, above. Any first Mortgagee making such payment shall be entitled to immediate reimbursement therefore from the Association. Upon the request of any first Mortgagee, the Association shall, by separate instrument, signed by the president or any vice president and the secretary, evidence its agreement to the provisions of this section as the same affects the Mortgage held by such Mortgagee.

14.8 Right to Examine Books and Records of the Association. All Mortgagees, insurers and guarantors of any Mortgages on any Lot shall have the right, upon written request to the Association, to:

(a) Examine current copies of the Governing Documents and the Association’s books, records and financial statements, during normal business hours;

(b) Require the Association to provide an audited statement for the preceding fiscal year at no expense to the requesting entity; and

(c) Receive a written notice of all meetings of the Association and designate a representative to attend all such meetings.

14.9 Notices to First Mortgagees. The Association shall furnish to the holder of any first Mortgage on any Lot or on the Common Elements, upon written request by the first Mortgagee, thirty (30) days prior written notice of: (a) abandonment or termination of the Association; (b) the effective date of any proposed material amendment to the Declaration; (c) the effectuation of any decision by the Association to terminate professional management, if any, and assume self-management of the Jubilee Properties; (d) any condemnation or eminent domain

proceeding; and (e) any extensive damage to or destruction of any Improvements located in or on the Common Elements.

14.10 Approval of Material Amendments or Termination.

(a) Material Amendments. In addition to the approvals required by Article 16, below (Amendments), Eligible Mortgagees who represent at least fifty-one percent (51%) of the votes of Lots that are subject to Mortgages held by Eligible Mortgagees must approve any amendment to this Declaration of a material nature. An Eligible Mortgagee is the beneficiary of a first Mortgage who has requested the Association to notify it of any proposed action that requires the consent of a specified percentage of Eligible Mortgagees. A change to any of the following would be considered as material:

- (i) voting rights;
- (ii) assessments, assessment liens or the priority of assessment liens;
- (iii) reserves and responsibility for maintenance, repair and replacement of the Common Elements;
- (iv) convertibility of Lots into Common Elements and vice versa;
- (v) annexation or deannexation of property to or from the Jubilee Properties;
- (vi) insurance or fidelity bonds;
- (vii) leasing of Lots;
- (viii) imposition of any restrictions on an Owner's right to sell or transfer his or her Lot;
- (ix) a decision by the Association to retain the services of a professional management corporation when self-management had been required previously by the Governing Documents or by an Eligible Mortgagee;
- (x) restoration or repair of the Jubilee Properties (after a hazard damage or partial condemnation) in a manner other than that specified in the Governing Documents;
- (xi) any action to terminate the legal status of the Jubilee Properties after substantial destruction or condemnation occurs; or guarantors.
- (xii) any provisions that expressly benefit Mortgagees, insurers or guarantors.

(b) Termination. In addition to the approvals required by Article 16, below, Eligible Mortgagees who represent at least sixty-seven percent (67%) of the votes of Lots that are subject to Mortgages held by Eligible Mortgagees must approve any proposed termination of the legal status of the project for reasons other than substantial destruction or condemnation of the Jubilee Properties.

(c) Implied Approval. Each Eligible Mortgagee which receives notice of a proposed amendment or termination of this Declaration electronically or by certified or registered mail,

with a “return receipt” requested, shall be deemed to have approved the amendment or termination if the Eligible Mortgagee fails to submit a response to the notice within 30 days of receiving the notice.

14.11 Quality of Future Improvements. All intended Improvements in any future phase of the Jubilee Properties shall be consistent with the Improvements in the first phase in terms of quality of construction. The requirements of this section are solely for the benefit of and may be enforced only by the Federal National Mortgage Association.

14.12 Declaration to Conform With Mortgagee Requirements. It is the intent of this Article that this Declaration, the Articles of Incorporation, the Bylaws and the Jubilee Properties in general, shall now and in the future meet all requirements of any institutional Mortgagee intending to secure its Mortgage by a Lot or necessary to purchase, guarantee, insure or subsidize any Mortgage of a Lot by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or the Veterans’ Administration.

## **ARTICLE 15. NOTICES**

All notices given under the provisions of the Governing Documents shall be in writing and may be delivered to the recipient by (a) personal delivery, (b) public or private mail or delivery service, (c) or by electronic transmission as provided in applicable statutes and the Bylaws. If delivery is made by personal delivery, the notice shall be deemed to have been delivered as of the date of delivery. Notice provided by deposit with a carrier shall be deemed to have been delivered upon being deposited with the carrier, postage paid, addressed to the person entitled to such notice at the most recent address known to the Board. Notice via electronic transmission is effective as of the date it is electronically transmitted to an address, location or system designated by the recipient for that purpose or has been posted on an electronic network and separate notice of the posting has been sent to the recipient containing instructions regarding how to obtain access to the posting on the electronic network. Notice to the Owner of any Lot shall be sufficient if mailed to the Lot if no other mailing address has been given to the Board. Mailing addresses may be changed by notice in writing to the Board. Notices to the Association or Board shall be addressed to the Association’s registered agent at its registered office, or to an address provided by the Association to the Lot Owners. The ineffectiveness of a good faith effort to deliver notice by an authorized means does not invalidate action taken at or without a meeting.

## **ARTICLE 16. AMENDMENT OF DECLARATION**

16.1 Amendments. Amendments to this Declaration may be adopted at a meeting of the Association or without a meeting pursuant to the procedures for such a vote set forth in the Bylaws. By either method notice of the text of the proposed amendment shall be provided to each Lot Owner in a manner prescribed in the Bylaws. Any proposed amendment of this Declaration shall be approved by the holders of not less than fifty-one percent (51%) of the total votes in the Association. If a particular Article or Section of this Declaration is made applicable

solely to Residences within a particular Phase of the Jubilee Properties (such as the Senior Housing restrictions of Section 8.1), said provisions can only be amended or repealed by the requisite affirmative vote of Members owning Lots within the affected Phase(s).

16.2 Mortgagee Approval. Mortgagee approval of any proposed material amendment shall be required in accordance with Section 14.10, above.

16.3 Effective Date of Amendment. The amendment will be effective upon the recording in the official records of Thurston County, Washington of a Certificate of Amendment, duly executed and certified by the president and secretary of the Association setting forth in full the amendment so approved and that the approval requirements of this Article have been duly met.

16.4 Reliance on Amendments. Any amendments made in accordance with the terms of this Declaration shall be presumed valid by anyone relying on them in good faith.

## **ARTICLE 17. GENERAL PROVISIONS**

17.1 Term. The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes contained in this Declaration shall run with, and shall benefit and burden the Lots and the Common Elements as herein provided, and shall inure to the benefit of and be binding upon the Owners, the Association, its Board, and its officers and agents, and their respective successors in interest, for the term of sixty (60) years from the date of the recording of this Declaration. After the expiration of the initial term, the same shall be automatically extended for successive periods of ten (10) years each unless, within six (6) months prior to the expiration of the initial sixty (60) year term or any such ten (10) year extension period, a written instrument, approved by Owners entitled to vote and holding at least a majority of the votes of the Association terminating the effectiveness of this Declaration, is recorded.

17.2 Waiver of Partition. No Owner may bring an action for partition of the Common Elements or any portion thereof, and every Owner by accepting title to a Lot covenants and agrees to this waiver of the right of partition and does waive, for himself/herself, his or her heirs, executors, successors and assigns, any and all other rights of partition.

17.3 Construction.

(a) Restrictions Construed Together. All of the covenants, conditions and restrictions of this Declaration shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Jubilee Properties as set forth in the Recitals of this Declaration. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce that provision in a subsequent application or any other provision hereof.

(b) Restrictions Severable. Notwithstanding the provisions of subparagraph (a) above, the covenants, conditions and restrictions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

(c) Singular Includes Plural. The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine or neuter shall each include the masculine, feminine and neuter, as the context requires.

(d) Captions. All captions or titles used in this Declaration are intended solely for convenience of reference and shall not affect the interpretation or application of that which is set forth in any of the terms or provisions of the Declaration.

(e) Exhibits. All exhibits to which reference is made herein are deemed to be incorporated herein by reference, whether or not actually attached.

(f) References to State Statutes; Priority of State and Local Laws. Any references in this Declaration to State Statutes shall be to the referenced statute as in effect on the date that this Declaration is Recorded in the Official Records of the County. In the event that any referenced statute is subsequently amended or superseded, all such references shall thereupon mean and refer to the referenced statute as so amended, modified or superseded, so long as the amended statute continues to regulate or pertain to the same subject matter. In the event of any conflict between the terms of this Declaration and the provisions of any State of Washington statute, City of Lacey ordinance or other applicable law or governmental regulation, the statute, ordinance, law or regulation shall prevail; provided, however, that any covenant, condition or restriction imposed by this Declaration which is more restrictive than a law or regulation addressing the same matter or issue (such as a provision of this Declaration imposing a greater Lot set-back requirement than is imposed by local ordinance) shall not be deemed to be in conflict with the related law or local regulation.

**ARTICLE 18. EFFECTIVE DATE**

This Amended and Restated Declaration shall take effect upon recording.

Dated this 12<sup>th</sup> day of February, 2024.

By: Chris Morris  
President, Jubilee Community Association

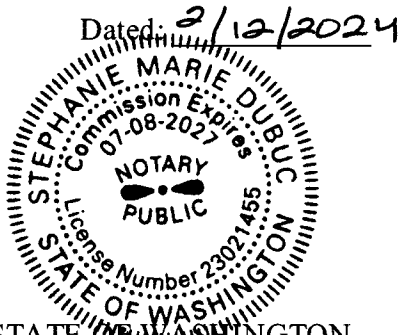
ATTEST: The above Amended and Restated Declaration was properly adopted.

By: Susan Gersch  
Secretary, Jubilee Community Association

///

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF THURSTON )

I certify that I know or have satisfactory evidence that Cheer Miller is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledge it as the **President of JUBILEE COMMUNITY ASSOCIATION** to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

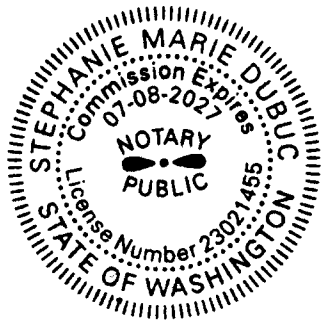


(Signature) [Handwritten Signature]  
(Print name) Stephanie Marie Dubuc  
Notary Public residing at 1545 Thornadyke Rd Port Ludlow, WA 98365  
My appointment expires: 7/8/2027

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF THURSTON )

I certify that I know or have satisfactory evidence that Susan Girsch is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledge it as the **Secretary of JUBILEE COMMUNITY ASSOCIATION** to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 2/12/2024



(Signature) [Handwritten Signature]  
(Print name) Stephanie Marie Dubuc  
Notary Public residing at 1545 Thornadyke Rd Port Ludlow, WA 98365  
My appointment expires: 7/8/2027

**EXHIBIT A**  
**LEGAL DESCRIPTION OF JUBILEE PROPERTY**

Lots 1-99 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 1, Unit 1, recorded June 18, 2003 under Auditor's File No. 3541639, records of Thurston County, Washington, as amended by the Plat Alteration recorded April 9, 2004 under Auditor's File No. 3631638, records of Thurston County, Washington;

Lots 100 – 173 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 1, Unit 2, recorded September 12, 2003 under Auditor's File No. 3573905, records of Thurston County, Washington;

Lots 174 – 274 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 1, Unit 4, recorded August 27, 2004 under Auditor's File No. 3669234, records of Thurston County, Washington;

Lots 434 – 531 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 1, Unit 3, recorded May 13, 2005 under Auditor's File No. 3731614, records of Thurston County, Washington;

Lots 907 – 955 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 1, Units 5 & 6, recorded February 24, 2006 under Auditor's File No. 3810761, records of Thurston County, Washington;

Lots 956 – 1093 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 2, Unit 10, recorded May 26, 2006 under Auditor's File No. 3835174, records of Thurston County, Washington;

Lots 1094 – 1154 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 2, Unit 15, recorded August 25, 2006 under Auditor's File No. 3860306, records of Thurston County, Washington;

Lots 1155 – 1197 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 2, Unit 12, recorded March 26, 2007 under Auditor's File No. 3913174, records of Thurston County, Washington;

Lots 1198 – 1383 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 2, Unit 11, recorded July 27, 2007 under Auditor's File No. 3945919, records of Thurston County, Washington;

Lots 1384 – 1442 and all Common Area Tracts of the Plat of Jubilee Fox Run, recorded October 25, 2013 under Auditor's File No. 4365739, records of Thurston County, Washington;

Lots 1443 – 1485 and all Common Area Tracts of the Plat of Jubilee Anderson Point, recorded September 26, 2014 under Auditor's File No. 4410675, records of Thurston County, Washington;

Lots WP1 – WP107 and all Common Area Tracts of the Plat of Whidbey Passage, recorded September 11, 2015 under Auditor's File No. 4465055, records of Thurston County, Washington;

Lots 1593 – 1641 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 3, Unit 17 (Eagles Bluff), recorded June 14, 2019 under Auditor's File No. 4688408, records of Thurston County, Washington;

Lots 1642 – 1660 and all Common Area Tracts of the Plat of Hawks Prairie, Phase 3, Unit 18 (Woodland Cove), recorded July 12, 2019 under Auditor's File No. 4693725, records of Thurston County, Washington.