

SANDERSON HEIGHTS

THIS DECLARATION (hereinafter “Declaration”) is made and entered into on the date set forth below by Sanderson Estates, LLP, a Washington limited liability partnership (hereinafter referred to as the “Developer”); acting by and through its duly authorized and undersigned Managing Partner, George H. Sanderson, Jr.; for purposes of subjecting the below-mentioned and described real property to the various covenants, conditions and restrictions set forth below.

WHEREAS, the Developer is the developer and owner of the seventeen (17) platted residential lots located within the Plat of Sanderson Heights – Phase One, recorded with the Franklin County Auditor in Volume D of Plats, page 185 (sometimes hereinafter referred to as “Sanderson Heights Lots”), which recorded Plat and all terms and conditions set forth on the face thereof are hereby incorporated herein by this reference.

WHEREAS, the residential subdivision development within which the Sanderson Heights Lots are located is and shall be commonly known and referred to as “Sanderson Heights.”

WHEREAS, the Developer also owns eight (8) other tracts of unimproved real property located adjacent to or within the same proximity as Sanderson Heights which respective other tracts are legally described in Exhibit “A” attached hereto and incorporated herein by this reference and which respective other tracts the Developer may later plat and subdivide into additional residential lots that, at the Developer’s sole option, may become part of Sanderson Heights and deemed as being part of the Sanderson Heights Lots for any and all purposes including, without limitation, for purposes of being subject to this Declaration and the various covenants, conditions and restrictions set forth herein.

WHEREAS, the Developer has previously short-platted and sold residential lots in a neighboring but unrelated development commonly known as “Sanderson Estates” that are each subject to certain Restrictive Covenants For Sanderson Estates recorded with the Franklin County Auditor under recording nos. 489349, 513611, 527663, and 1569074, respectively.

WHEREAS, none of the existing or hereafter created Sanderson Heights Lots are or ever shall be subject to the above referenced and described Restrictive Covenants for Sanderson Estates, but rather shall be subject to this Declaration and the various covenants, conditions and restrictions set forth herein.

WHEREAS, the Developer hereby declares that this Declaration and the various covenants, conditions and restrictions set forth herein as well as any subsequent amendments thereto are specifically intended to and shall “run with the land” (i.e., each and every one of the Sanderson Heights Lots) and shall be fully binding upon, enforceable against, and shall inure to the benefit of all now existing or hereafter created

Sanderson Heights Lots and any and all persons and/or entities now or hereafter owning, possessing, or otherwise claiming or acquiring any right, title, or interest of any nature in the Sanderson Heights Lots (or any portion thereof) for a period of ten (10) years from the date of recording this Declaration, at which time these covenants, conditions and restrictions shall automatically renew for successive periods of ten (10) years each unless a majority of the then existing owners of Sanderson Heights Lots meet and vote within sixty (60) days prior to such time(s) of renewal to change or modify these covenants, conditions and restrictions either in whole or in part. Prior to such time(s) of renewal, these covenants, conditions and restrictions may be amended only by an affirmative vote of seventy five percent (75%) of the owners of the Sanderson Heights Lots.

WHEREAS , it is the intent and purpose of this Declaration and these covenants, conditions and restrictions to ensure that there will be a common-plan, uniform and high quality of development in regard to all structures located in Sanderson Heights, now and in the future, in order to enhance, protect and preserve the health, safety, welfare, security and value of monetary investment, as well as to promote, enhance and ensure harmony and compatibility among and between Sanderson Heights lot owners, residents, and neighbors.

NOW, THEREFORE, the Developer hereby declares that:

1. All provisions of the above-stated recital paragraphs are substantive and integral to the intent and purpose of this Declaration and, as such, are hereby fully incorporated herein by this reference.
2. Any and all instruments of conveyance or transfer of any interest in any lot (including, without limitation, deeds and real estate contracts) shall contain (and if not, shall be deemed to contain) reference to this Declaration and shall be fully subject to this Declaration and the various covenants, conditions and restrictions set forth herein. No private agreement between adjacent lot or property shall modify or abrogate any portion of this Declaration and the various covenants, conditions and restrictions set forth herein.
3. There is no public or community source of potable water supply to the lots; all lot owners shall be required to drill a well on the lot to obtain potable water to service the lot. The Developer makes no warranties, assurances, or representations, express or implied, as to whether a well on any lot will provide and supply an adequate quantity or quality of potable water. Any and all water wells shall be placed on the lot so as to strictly conform with and to all requirements set forth on the face of the above-referenced Plat of Sanderson Heights – Phase One and all applicable governmental health regulations, codes and laws.
4. Any and all septic tanks, dry wells, and drain fields shall be placed on the lot so as to strictly conform with and to all requirements set forth on the face of

5. All lots located within Sanderson Heights are “residential lots” and shall be used only for single-family residential purposes. No multi-family housing units, horizontal property regimes, condominiums, or similar types of structures shall be allowed upon any lot.
6. No structure of any type or nature shall be erected, altered, repaired, placed or permitted to remain upon any lot other than one (1) single-family residential dwelling (which shall include an attached/detached private garage of not less than two (2) or more than four (4) vehicle (including RV) capacity), one (1) well house, one (1) hot tub, one (1) storage shed, one (1) swimming pool, and one (1) outbuilding for the keeping of horses. Any and all of such structures and outbuildings shall be erected and constructed in strict conformance with all applicable building code requirements and restrictions and shall further be erected, constructed, and finished in such a manner as to be architecturally compatible with, and of the same exterior color as, the primary residential dwelling structure located on the lot.
7. No structure of any type or nature (including, without limitation, residences, garages, fences, patios, swimming pools, and all outbuildings) may be erected, placed, altered, repaired, or permitted to remain upon any lot unless and until the proposed structure’s plans and specifications, exterior color plan, plot plan, landscaping plan, and fencing plan showing the specific type, design, shape, height, location, color, and building materials composition of the proposed structure have been submitted to and reviewed and approved by the Sanderson Heights Architectural Control Committee (hereinafter the “ACC”) in writing as to conformity and harmony of external design with existing structures in Sanderson Heights, and as to the proposed structure’s location with respect to topography and finished ground elevation. The ACC shall be initially composed of one (1) member, George “Bud” H. Sanderson, Jr., or by a representative designated by said initial member. All required plans and specifications shall be submitted to the ACC at the following address:

Sanderson Heights Architectural Control Committee

ATTN: George “Bud” H. Sanderson, Jr.

750 Kohler Road

Pasco, WA 99301

or to such other address as may hereafter be designated in writing to Sanderson Heights lot owners by the ACC.

- a. Without limitation as to the ACC’s general and broad power and authority under this Declaration to influence and control the design and location of structures within Sanderson Heights, the ACC’s

purpose shall be to ensure that all plans, specifications, setbacks and structure designs are in strict conformance to the covenants, conditions and restrictions contained herein, and that all structures, fencing and landscaping located within Sanderson Heights are designed, physically located, and constructed in such a manner so as to strictly conform in height and general appearance with other existing structures and landscaping.

- b. In the event that the ACC fails to approve or disapprove any plans and specifications submitted to it for review within thirty (30) days after the date of submission, the submitted plans, specifications, and any accompanying documentation related thereto shall be deemed to have been approved by the ACC and the provisions of this Paragraph 7 shall be deemed to have been complied with provided that the design, location, and other salient characteristics of the proposed structure or the proposed work or improvement shall be governed by and subject to all other covenants, conditions and restrictions set forth herein and shall be required to be in harmony with the other existing structures in Sanderson Heights.
- c. The ACC's approval of duly submitted plans and specifications shall not be unreasonably withheld. However, the ACC shall have the right to reject any proposed plans and specifications that the ACC deems in its sole discretion are not architecturally or aesthetically suitable or desirable for the planned or existing Sanderson Heights development; provided that the ACC's rejection of any proposed plans and specifications must be based on objective factors and criteria and on reasonable judgment as to the effect the proposed structure or the proposed work or improvement would have on the Sanderson Heights development as a whole. The ACC and its members and representatives shall have no personal liability for successful judicial challenges to the ACC's decisions regarding submitted plans and specifications, and the sole and exclusive remedy available to a party successfully challenging the ACC's decision shall be limited to a judicial order or decree reversing the ACC's decision and such party shall have no right, claim, remedy, or entitlement for damages or reimbursement of any amount or nature.
- d. The ACC's approval of proposed plans and specifications shall not be interpreted or deemed as being an endorsement or certification as to the proposed structure's or the proposed work's or improvement's safety, structural integrity, or compliance with applicable laws, regulations or building codes. The party submitting the plans and specifications to the ACC shall bear all responsibility to ensure such safety, structural integrity, and compliance, and the ACC and its

members and representatives shall have no liability whatsoever for any lack of safety, structural integrity, or compliance.

- e. Upon the construction, completion, and legal occupancy of seventeen (17) separate residential structures on lots within Sanderson Heights, the powers and duties of the initial ACC shall terminate and the ACC shall thereafter consist of three (3) members who shall be individuals who own lots in Sanderson Heights and who shall be elected or appointed to serve in such capacity for three (3) year terms by majority vote of Sanderson Heights lot owners. Except for the above-named member of the initial ACC who may not be involuntarily removed or replaced from such capacity for any reason, members of the ACC may be removed and replaced at any time prior to the expiration of their respective three (3) year term by majority vote of the owners of Sanderson Heights Lots.
 - f. The ACC's members shall not be entitled to receive any compensation for ACC-related services performed pursuant to this Declaration.
 - g. The ACC's approval of any proposed plan or matter submitted to it shall not be deemed to constitute a waiver, abandonment, or binding precedent that would preclude the ACC's right or ability to subsequently withhold its approval of similar proposed plans or similar proposed matters submitted to it.
8. All structures and improvements within Sanderson Heights shall be designed, located and placed on the lot in such a manner that strictly conforms to and complies with all applicable building code or otherwise applicable minimum setback requirements. All structures and improvements within Sanderson Heights shall also be designed, located and placed on the lot in such a manner so as not to encroach upon any recorded or otherwise known or apparent easement area.
9. No lot may be further divided or partitioned.
10. No noxious or injurious activity shall be conducted upon any lot nor shall any type of activity be conducted thereon which is or may become an annoyance or nuisance to other lot owners or occupants.
11. No lot shall be used or maintained as a dumping ground for garbage, waste, or unwanted materials of any kind or nature including, without limitation, building materials, lawn or yard clippings and rocks. Trash, garbage and other waste shall not be kept or accumulated on any lot except in sanitary containers that are appropriately screened and shielded from view from any street or by other lot owners and occupants.

12. No unused or inoperable vehicles, “junkyard” type materials (e.g., equipment, machinery, automobiles in disrepair, and automobile parts) or any other types of unsightly or offensive items shall be accumulated or allowed to remain upon any lot.
13. No vehicles of any type nor utility or recreational vehicles of any type (including, without limitation, boats, campers, motor-homes, trailers, snowmobiles and personal watercraft), whether operable or not and whether regularly driven/used or not, shall be parked, stored, or otherwise maintained for any length of time on any street, thoroughfare or cul-de-sac within Sanderson Heights. Violations of this paragraph shall subject such vehicles to public impound, at the full risk and expense of the vehicle owner(s).
14. No commercial vehicles of any type, whether operable or not and whether regularly driven/used or not, shall be parked or stored on any lot. For purposes of this paragraph, commercial vehicles shall not include passenger cars or standard-size vans and pickup trucks that are used for both business and personal use, provided that any commercial-related signs, logos, or other markings thereon shall be unobtrusive and unobjectionable.
15. Except for any lights that may be installed by the Developer, no spotlights, floodlights, or other type of high-intensity exterior lighting shall be placed or utilized on any lot that causes light to be directed or reflected toward any other lot.
16. No oil or natural gas exploration/drilling, refining operations or related activities of any type shall be conducted on any lot; nor shall any quarrying or mining-related operations or activities of any type be conducted on any lot.
17. No signs of any type or nature shall be erected, placed, or otherwise maintained or displayed on any lot; provided that, one (1) unlighted “for sale” or “for rent” sign may be temporarily placed and displayed on a lot provided that the sign does not exceed five (5) square feet in size. Provided further that, however, the Developer reserves the right to erect, place and display signs of any size or nature on Developer-owned lots within Sanderson Heights incidental to the Developer’s promotion and sales of lots.
18. The Developer reserves the right to erect, locate and maintain a real estate sales office and related appurtenances on Developer-owned lots within Sanderson Heights incidental to the Developer’s promotion and sales of such lots.
19. No recreational vehicle of any type (including, without limitation, motor-homes, trailers and campers), manufactured home (whether U.B.C. approved or not), modular home (whether U.B.C. approved or not), basement, tent,

shack, garage, barn or any other type of outbuilding shall be used as a temporary or permanent residence nor shall any type of structure of a temporary character be used as a residence.

20. All structures and improvements erected or placed upon a lot shall be of new construction, and shall be fully completed as to external appearance (including, without limitation, finished painting and roofing) within one (1) year from the date of the commencement of construction or improvement work.
21. All lots shall be appropriately and attractively landscaped incidental to the construction and completion of the residential dwelling structure on the lot. The landscaping plan (and any and all alterations or modifications thereto) shall be submitted to the ACC for review and approval as provided for above. The landscaping shall be fully completed within six (6) months from the date on which a certificate of occupancy is obtained for such structure. Landscaping shall be continuously maintained in a neat and attractive manner.
22. Every dwelling structure shall be a minimum of three thousand (3,000) square feet in overall living area size, exclusive of garages, open porches, and below-ground basements. Every dwelling structure shall have a minimum of one thousand eight hundred (1,800) square feet of ground-level living area, exclusive of garages, open porches, and below-ground basements.
23. No animals of any kind shall be raised, bred or kept upon any lot. Provided that, however, dogs, cats or other types of commonly kept domestic household pets shall be permitted provided that such pets shall not be kept, bred or maintained for any commercial purposes and provided that the aggregate total of such pets shall not exceed three (3) pets per household (except that such maximum per household total may be temporarily exceeded in the event a household pet gives birth for a period of not more than sixty (60) days from the date of birth). No permitted household pets shall be allowed to relieve themselves on, or wander, or freely roam onto, other lots or public areas and the owner of such pets shall take appropriate steps to ensure that such pets do not create objectionable or annoying noise (e.g., excessive barking or howling) and shall be responsible for any injury, loss or damage caused by such pets to persons or property.
24. Notwithstanding anything contained herein to the contrary, and lot of one (1) acre or larger may keep for personal pleasure and use a maximum total of three (3) horses subject to the following conditions:
 - a. Suitable and attractive fencing (as approved by the ACC) shall be constructed to contain such horses fully and securely within the lot, which fencing shall conform to all applicable covenants, conditions and restrictions contained herein.

- b. An attractive outbuilding (as approved by the ACC) in the nature of an enclosed stable or barn shall be constructed to provide shelter to such horses, which outbuilding shall be designed and constructed of suitable materials so as to provide for proper ventilation and drainage so as not to create offensive odors fly or insect breeding or accumulation, or other nuisances.
 - c. Horse manure shall be collected no less than once per week and shall be disposed of either by placement in an odor-free and fly/insect-proof container for purposes of periodic removal from the lot, by adequate burying on the lot, or by removal from the lot.
 - d. Horses shall not be ridden or allowed to wander or roam on any other lot, streets or public areas; and the horse owner shall be responsible for any injury, loss or damage caused by such animal to persons or property.
25. Detailed plans showing the height, location, color, and building materials composition (e.g., wood, chain-link, stone, concrete, masonry, etc.) of any proposed fencing on a lot shall be submitted to the ACC for review and approval prior to any fencing (including, but without limitation, yard fencing, border fencing, pool fencing, dog run/kennel, pasture fencing and corral fencing) being erected, replaced, repaired or altered on any lot. For purposes of this paragraph, plants, trees, hedges, and similar types of vegetation shall be considered as “fencing” or “fences” when planted and located in such a manner on a lot as to constitute a concentrated, mass planting. For further purposes of this paragraph, gates or movable access panels shall be considered as “fencing” or “fences.”
- a. In general, except as provided otherwise below, no fence on any lot shall exceed six (6) feet in height. Provided that, in the event that applicable governmental regulations and/or other provisions contained in this Declaration specifically require a particular fence to be of a different height, then such regulations and/or other provisions shall take precedence and control.
 - b. No fence constructed of wire, barbed wire, or similar composition shall be allowed upon any lot. Provided that, chain-link fences with a black powder coated finish shall be permitted.
 - c. All fences shall be constructed of suitable and attractive fencing material that does not detract from the appearance of the residence on the lot which such fencing is located or from the appearance of the residences located on any adjacent lots.

- d. Upon the ACC approving a particular fencing plan submitted to it for review, the fencing contemplated by such plan shall be constructed and completed within a reasonable time not to exceed three (3) months from the date of plan approval.
 - e. All fences shall be continuously maintained in good condition and repair. In the event any fencing is fully or partially damaged by any cause, it shall be fully repaired/replaced to its original condition within three (3) months from the date of damage.
 - f. No fence shall be erected or placed on any lot closer to any street or cul-de-sac than the applicable building setback line.
 - g. For purposes of erecting, repairing, or maintaining any fence located upon and along the dividing line between adjacent lots, a perpetual, limited and non-exclusive easement of five (5) feet in width on each side of such dividing line is hereby created to provide the adjacent lot owners on either side of the dividing line limited access to the other adjacent lot for such purposes.
26. All easements shown on the face of the above-referenced Plat of Sanderson Heights – Phase One shall be strictly observed. No structure of any type shall be constructed or located on a lot, nor shall any materials, (e.g., wood, bricks, concrete blocks, etc.) be stacked or otherwise allowed to accumulate, so as to encroach upon any designated easement area. Provided that, however, fencing and/or landscaping may be erected or placed upon an easement area, provided that any lot owner electing to do so shall assume the risk that such fencing and/or landscaping may need to be promptly removed and replaced (at the lot owner's sole responsibility, cost and expense) in the event the easement area needs to be accessed and utilized for the purpose(s) that the easement was created and exists for (e.g., installation and/or maintenance of utilities).
27. All trees, vines, shrubs, hedges or similar type of vegetation shall not be allowed to grow and mature so as to unreasonably block or impair the view of any surrounding lot. Further, all lot owners shall take affirmative action to prevent the growth and/or facilitate the prompt removal of all varieties of noxious weeds.
28. Any and all construction and improvements on lots within Sanderson Heights shall strictly conform to all applicable local and state planning and construction codes and ordinances in effect at the time of construction and improvement.
29. Any and all private driveway access upon a lot shall be of a gravel, blacktop, or concrete surface.

30. No trade, craft, business, profession, commercial or manufacturing enterprise or commercial or business activity of any kind or nature shall be conducted or carried upon any lot. Provided that, this restriction shall not prevent a small-scale, "home-office" type of business activity utilizing computer and/or telecommunication technology to be carried on within the confines of a residential structure provided that such activity is conducted in a manner that does not negatively detract from the residential nature of such structure; is conducted in a manner that does not generate any customer or clientele traffic; and is conducted in a manner that does not expand to or involve any other area, structure or outbuilding upon the lot.
31. As of the date of this Declaration, irrigation water is conditionally provided to the lots (as well as to the residential lots located in the unrelated but neighboring Sanderson Estates development) pursuant to a *Miscellaneous Water Service Contract Between the United States of America and Sanderson Estates Partnership* dated March 26, 1999, and a year-to-year *Water Pipeline License* between the Developer and John P. and Catherine L. Kohler dated June 21, 2000. Copies of said Contract and said License are available for review upon written request to the Developer.
- a. Subject to the various terms and conditions of said Contract, a limited quantity of irrigation water for purposes of lawn and landscape maintenance will be available to the lots (except in instances of water shortages) for an initial period of ten (10) years from the Contract date. Upon the expiration of said ten (10) year initial period, said Contract is renewable (unless terminated by either party in the manner provided in the Contract) for additional ten (10) year periods; provided that, however, said Contract (and the water supplied under said Contract) by its express terms and applicable federal law shall in no event last or be in effect longer than forty (40) total years from the Contract date of March 26, 1999. The Developer reserves the right (but not the obligation) to transfer and assign its rights in said Contract to another person or entity including, without limitation, a Washington limited liability company organized and controlled by the Developer (or the Developer's principals) or the below-referenced property owners association. The Developer makes no warranties, assurances, or representations, express or implied, as to whether the irrigation water made available to the lots pursuant to said Contract will provide and supply an adequate quantity or quality of irrigation water to maintain lawn and landscaping.
 - b. Each lot shall be subject to an annual assessment or charge to pay for the lot's pro-rata share of the costs and expenses associated with obtaining and supplying irrigation water to the lots pursuant to said contract regardless of whether or not irrigation water is actually being

utilized by a particular lot or lots. The failure of a lot owner to promptly pay such assessment or charge when due shall be adequate basis for the supply of irrigation water to be cut off from or discontinued to such lot. In addition, each assessment or charge levied or imposed, together with interest thereon at the rate of twelve percent (12%) per annum, shall be a separate, distinct, personal, and joint and several debt and obligation of the lot owner against whom the assessment or charge is levied or imposed or from whom the amount is due. In the event that any lot owner fails or refuses to pay any such assessment or charge within thirty (30) days of the date such assessment or charge becomes due, the amount(s) owing (together with accrued interest thereon at 12% per annum and any attorneys' fees and costs incurred in any collection or enforcement action) shall be automatically deemed as being a valid, enforceable and continuing lien against the lot(s) owned by such non-paying owner. Such lien may be perfected and made of record by the Developer (or its assignee) preparing and recording a sworn claim of lien with the Franklin County Auditor that legally describes the non-paying owner's lot(s) and that sets forth the monetary amount of the lien and the basis for the lien. Such recorded lien may be thereafter foreclosed and enforced by a civil action in the court having jurisdiction in the manner prescribed for the judicial foreclosure action in the court having jurisdiction in the manner prescribed for the judicial foreclosure of a mortgage. The court shall have the power to order the sale of the non-paying owner's lot(s). In any action brought to foreclose alien, the non-paying lot owner shall be joined as a party to such action. The interest in the lot(s) of any other person/entity who, prior to the commencement of the action, has a recorded interest in the lot(s), or any part thereof, shall not be foreclosed or affected unless they are also joined as a party to the action. To the fullest extent allowed by law, each lot owner shall be deemed to have fully waived any homestead or exemption rights in effect at the time of any such foreclosure action.

32. No lot(s) owned by the Developer shall be subject to any assessment or charge levied, imposed, or authorized hereunder until such time as the Developer closes on the sale of such lot(s), at which time such lot(s) shall be subject to prospective assessments and charges to the same extent as the other lots in Sanderson Heights.
33. No radio antennas of any type, television antennas, satellite dishes, or similar communications devices shall extend more than three (3) feet above the roofline of any structure without the prior written approval of the ACC. Notwithstanding the above, no C.B., radio towers/antennas, ham radio towers/antennas, or any similar type of communication towers/antennas shall be allowed on any lot.

34. No lot owner shall carry on any activity of any nature whatsoever on his property that is derogation or violation of the laws of the state of Washington and/or any other applicable governmental authority.
35. All owners of lots located within Sanderson Heights, by virtue of such ownership, shall automatically be deemed as members of a property owners association upon such association being organized by the Developer as provided herein for purposes of representing all lot owners within Sanderson Heights.
- a. The name of the to-be organized association shall be “The Sanderson Heights Property Owners Association” (hereinafter the “Association”). The Developer may organize the Association at any time the Developer deems appropriate; provided that the Association shall be organized not later than on the date that the Developer closes on the sale of the ninth (9th) lot in Sanderson Heights or the date of August 1, 2001, whichever date comes first. The Developer shall have the right to organize the Association on such basis as shall appear to the Developer in its sole discretion to be the most advantageous and beneficial to the owners of lots within Sanderson Estates at the time of organization, and the Developer shall have no liability to any party associated with or arising out of such organization. The Association shall be incorporated pursuant to the provisions of RCW Chapter 24.03/24.06, as now or hereafter amended, and shall also be subject to the applicable provisions of RCW Chapter 64.38, as now or hereafter amended.
 - b. The Association shall have articles of incorporation and bylaws as initially established by the Developer in its discretion. The Association shall be charged with the duties and invested with the powers prescribed by law and set forth in the articles of incorporation, bylaws, and this Declaration. Neither the articles of incorporation nor the bylaws shall, for any reason, be amended or otherwise changed, modified, or interpreted so as to be inconsistent with this Declaration.
 - c. Each and every lot owner, by virtue of such ownership and for so long as such ownership is maintained, shall be a member of the Association, and no lot owner shall have more than one (1) membership in the Association, except as hereinafter set forth with respect to voting. Membership in the Association shall not be assignable or transferable, except to a successor-in-interest of a lot owner’s fee interest in a lot, and all memberships in the Association shall be appurtenant to the lot owned by such lot owner. The memberships in the Association shall not be transferred, pledged or otherwise alienated in any way except upon the transfer of title to a lot

and then only to the transferee of fee title to the lot. Any attempt to make a prohibited membership transfer shall be void and shall not be reflected on the books or records of the Association.

- d. Each lot shall be entitled to one (1) vote in Association affairs. Each vote allocable to a lot shall be cast as a single vote and shall not be fractionally divided. In the event of co-ownership (e.g., by husband and wife, tenants in common, joint tenants, etc.) of any lot, those owners together shall comprise only one (1) vote. The term “owner” shall mean the owner of the fee interest or in the case of a real estate contract it shall mean the contract vendee/purchaser, as reflected in the records of the Auditor of Franklin County, Washington. The term “owner” shall not include the interest of tenants or licensee-occupants of a lot, nor shall the term include the interests of any party merely possessing an interest in the property to secure the performance of some obligation (e.g., mortgagee, lien-holder, etc.). A lot owner’s voting rights in Association affairs may be suspended by the Association during any period of time that said owner fails to timely or fully pay any duly levied or imposed assessment or charge against the owner’s lot. Notwithstanding the above, the Developer shall have three (3) votes for each lot owned by it; provided that, upon the Developer closing on the sale of a particular lot, the new owner of such lot shall only be entitled to one (1) vote.
- e. The affairs of the Association shall be conducted by a board of directors and such officers as the board may elect or appoint, in accordance with the articles of incorporation and bylaws, as the same may be amended from time-to-time. The initial board shall be appointed by the incorporator (i.e., the Developer) or its successors and shall hold office until the first annual meeting, at which time, a new board shall be elected in accordance with the provisions set forth in the articles and bylaws.
- f. The powers of the Association shall be exercised by and through the board of directors. Without limitation to the broad powers generally provided to board of directors by law and any other powers expressly or implicitly provided to the board under the terms of this Declaration to do all things reasonably necessary to fulfill its duties and effectuate the purposes and intent of this Declaration, the board shall have the following powers:
 - (1) To levy, collect, and enforce assessments, charges, and penalties against the lots;

- (2) To provide or contract for the provision of any services to the residents of Sanderson Heights as the board deems to be beneficial and/or necessary;
 - (3) To pursue legal action to enforce these covenants, conditions and restrictions and to seek the enjoining of any violations thereof;
 - (4) To execute and record any duly-authorized amendments to this Declaration and the various covenants, conditions and restrictions set forth herein;
 - (5) To adopt, promulgate, and enforce reasonable rules and regulations governing matters of mutual concern to the Association members, provided that such rules and regulations are consistent with this Declaration and the Association's articles and bylaws, and provided further that such rules and regulations treat all members fairly and in a non-discriminatory manner, and;
 - (6) To contract and pay for any materials, supplies, labor, or services that the board deems reasonably necessary or appropriate for carrying out its powers and duties including, without limitation, legal or accounting services.
- g. Each assessment or charge levied or imposed by the Association, together with interest thereon at the rate of twelve percent (12%) per annum, shall be a separate, distinct, personal, and joint and several debt and obligation of the lot owner against whom the assessment or charge is levied or imposed or from whom the assessment or charge is levied or imposed or from whom the amount is due. In the event that any lot owner fails or refuses to pay any such assessment or charge within thirty (30) days of the date such assessment or charge becomes due, the amount(s) owing (together with accrued interest thereon at 12% per annum and any attorneys' fees and costs incurred in any collection or enforcement action) shall be automatically deemed as being a valid, enforceable and continuing lien against the lot(s) owned by such non-paying owner. Such lien may be perfected and made of record by the Association preparing and recording a sworn claim of lien with the Franklin County Auditor that legally describes the non-paying owner's lot(s) and that sets forth the monetary amount of the lien and the basis for the lien. Such recorded lien may be thereafter foreclosed and enforced by a civil action in the court having jurisdiction in the manner prescribed for the judicial foreclosure of a mortgage. The court shall have the power to order the sale of the non-

paying owner's lot(s). In any action brought to foreclose a lien, the non-paying lot owner shall be joined as a party to such action. The interest in the lot(s) of any other person/entity who, prior to the commencement of the action, has a recorded interest in the lot(s), or any part thereof, shall not be foreclosed or affected unless they are also joined as a party to the action. To the fullest extent allowed by law, each lot owner shall be deemed to have fully waived any homestead or exemption rights in effect at the time of any such foreclosure action.

36. In the event that the Developer elects to plat and develop the tracts of land described in Exhibit "A" (or any portions(s) thereof) within ten (10) years from the date of recording this Declaration, such additional tracts of land and the residential lots attributable thereto may be annexed into Sanderson Heights without the assent of the then-existing Sanderson Heights lot owners. In the event of such annexation, this Declaration and the covenants, conditions and restrictions contained herein shall be fully applicable to and enforceable by and against all such newly developed residential lots in the same manner and to the same extent as the original Sanderson Heights lots contained within the Plat of Sanderson Heights – Phase One. Notwithstanding anything contained in this Declaration to the contrary, this paragraph may not be amended in any manner without the Developer's express written consent.
37. In the event that any lot owner violates any of the covenants, conditions and restrictions contained herein, it shall be lawful for the Association and/or any other person(s) owning lots in Sanderson Heights to file and pursue legal action, at law or in equity, against the person(s) who is/are in violation of, or who is/are attempting to violate, any of said covenants, conditions and restrictions to enjoin such person(s) from such violation and/or to recover damages from such person(s) resulting from such violation. The failure of or delay by the Association or the other person(s) owning lots to file and pursue such legal action to enforce said covenants, conditions and restrictions shall in no event be deemed a waiver and/or abandonment of the right to do so at any time thereafter. The Developer, in its capacity as such, shall have the right (but not the obligation) to take action to enforce these covenants, conditions and restrictions or to seek the enjoining of any violations thereof.
38. The invalidation of any one (1) or more of these covenants, conditions and restrictions (or any portion thereof) by court judgment, decree, order, or otherwise shall in no way affect or impair the validity or enforceability of any of the other covenants, conditions and restrictions contained herein, which shall all remain in full force and effect.
39. All rights and authority granted or reserved to the Developer under this Declaration shall be fully transferable and assignable by the Developer in its sole discretion to any third-party/parties of the Developer's choice or to the

Developer's principals (or their respective heirs, successors, legal representatives or assigns).

EXHIBIT "A"

The following legally-described Tracts A-1,A-2,A-3,A-4,B-1,B-2,B-3, and B-4, EXCEPT that portion of Sanderson Heights – Phase One, according to the plat thereof recorded in Volume D of Plats, page 185, records of Franklin County, Washington.

TRACT A-1

A tract of land lying in Section 1, Township 9 North, Range 28 East, W.M. being a portion of Farm Unit 109, Irrigation Block 1, Columbia Basin Project, Franklin County, Washington, described as follows:

Beginning at the Southeast corner of Farm Unit 109 and True Point of Beginning; thence North 89°59'00" West, along the South line of said Farm Unit 109 and East-West centerline of said Section 1, a distance of 665.551 feet; thence North 01°42'40" East a distance of 497.17 feet; thence South 89°59'00" East a distance of 666.19 feet to the East line of said Farm Unit 109; thence South 01°47'30" West, along said East line, a distance of 497.20 feet to the Southeast corner of said Farm Unit 109 and True Point of Beginning.

TRACT A-2

A tract of land lying in Section 1, Township 9 North, Range 28 East, W.M., being a portion of Farm Unit 109, Irrigation Block 1, Columbia Basin Project, Franklin County, Washington, described as follows:

Beginning at the Southeast corner of Farm Unit 109; thence North 89°59'00" West, along the South line of said Farm Unit 109 and the East-West centerline of said Section 1, a distance of 665.51 feet; thence North 01°42'40" East a distance of 497.17 feet to the True Point of Beginning; thence continuing North 01°42'40" East a distance of 496.66 feet; thence South 89°59'00" East, to the East line of said Farm Unit 109, a distance of 666.90 feet; thence South 01°47'30" West, along said East line, a distance of 496.68 feet; thence North 89°59'00" West a distance of 666.19 feet to the True Point of Beginning.

TRACT A-3

A tract of land lying in Section 1, Township 9 North, Range 28 East, W.M., being a portion of Farm Unit 109, Irrigation Block 1, Columbia Basin Project, Franklin County, Washington, described as follows:

Beginning at the Southeast corner of Farm Unit 109; thence North 89°59'00" West, along the South line of said Farm Unit 109 and East-West centerline of said Section 1, a distance of 665.51 feet; thence North 01°42'40" East a distance of 993.83 feet to the True Point of Beginning; thence continuing North 01°42'40" East a distance of 496.14 feet; thence South 89°59'00" East a distance of 667.59 feet to the East line of said Farm Unit 109; thence South 01°47'30" West, along said East line a distance of 496.16 feet; thence North 89°59'00" West a distance of 666.90 feet to the True Point of Beginning.

TRACT A-4

A tract of land lying in Section 1, Township 9 North, Range 28 East, W.M., being a portion of Farm Unit 109, Irrigation Block 1, Columbia Basin Project, Franklin County, Washington, described as follows:

Beginning at the Southeast corner of Farm Unit 109; thence North 89°59'00" West, along the South line of said Farm Unit 109 and East-West center line of said Section 1, a distance of 665.51 feet; thence North 01°42'40" East a distance of 1489.97 feet to the True Point of Beginning; thence continuing North 01°42'40" East a distance of 494.78 feet to the North line of said Farm Unit 109; thence North 89°59'20" East, along said North line, a distance of 668.34 feet to the Northeast corner of said Farm Unit 109; thence South 01°47'30" West along said East line a distance of 496.48 feet; thence North 89°59'00" West, a distance of 667.59 feet to the True Point of Beginning.

TRACT B-1

A tract of land lying in Section 1, Township 9 North, Range 28 East, W.M., being a portion of Farm Unit 109, Irrigation Block 1, Columbia Basin Project, Franklin County, Washington, described as follows:

Beginning at the Southeast corner of Farm Unit 109; thence North 89°59'00" West, along the South line of said Farm Unit 109 and East-West centerline of said Section 1, a distance of 665.51 feet; thence North 01°42'40" East a distance of 661.61 feet to the True Point of Beginning; thence South 89°58'10" West a distance of 666.60 feet to the North-South centerline of said Section 1; thence North 01°37'44" East along said North-South centerline, a distance of 330.99 feet; thence North 89°58'10" East a distance of 667.07 feet; thence South 01°42'40" West a distance of 331.00 feet to the True Point of Beginning.

TRACT B-2

A tract of land lying in Section 1, Township 9 North, Range 28 East, W.M., being a portion of Farm Unit 109, Irrigation Block 1, Columbia Basin Project, Franklin County, Washington, described as follows:

Beginning at the Southeast corner of Farm Unit 109; thence North 89°59'00" West, along the South line of said Farm Unit 109 and East-West centerline of said Section 1, a

distance of 665.51 feet; thence North 01°42'40" East a distance of 992.61 feet to the True Point of Beginning; thence South 89°58'10" West a distance of 667.07 feet to the North-South centerline of said Section 1; thence North 01°37'44" East, along said North-South centerline, a distance of 330.75 feet; thence North 89°58'10" East a distance of 667.55 feet; thence South 01°42'40" West a distance of 330.77 feet to the True Point of Beginning.

TRACT B-3

A tract of land lying in Section 1, Township 9 North, Range 28 East, W.M., being a portion of Farm Unit 109, Irrigation Block 1, Columbia Basin Project, Franklin County, Washington, described as follows:

Beginning at the Southeast corner of Farm Unit 109; thence North 89°59'00" West, along the South line of said Farm Unit 109 and East-West centerline of said Section 1, a distance of 665.51 feet; thence North 01°42'40" East, a distance of 1323.38 feet to the True Point of Beginning; thence South 89°58'10" West, a distance of 667.55 feet to the North-South centerline of said Section 1; thence North 01°37'44" East, along said centerline, a distance of 330.52 feet; thence North 89°58'10" East a distance of 668.02 feet; thence South 01°42'40" West a distance of 330.53 feet to the True Point of Beginning.

TRACT B-4

A tract of land lying in Section 1, Township 9 North, Range 28 East, W.M., being a portion of Farm Unit 109, Irrigation Block 1, Columbia Basin Project, Franklin County, Washington, described as follows:

Beginning at the Southeast corner of Farm Unit 109; thence North 89°59'00" West, along the South line of said Farm Unit 109 and East-West centerline of said Section 1, a distance of 665.51 feet; thence North 01°42'40" East a distance of 1653.90 feet to the True Point of Beginning; thence South 89°58'00" West a distance of 668.02 feet to the North-South centerline of said Section 1; thence North 01°37'44" East, along said North-South centerline, a distance of 329.73 feet to the North line of said Farm Unit 109; thence North 89°52'20" East, along said North line, a distance of 668.53 feet; thence South 01°42'40" West a distance of 330.85 feet to the True Point of Beginning.

Dated: July 20, 2000

Recorded: July 20, 2000

Recording No.: 1580161