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Pg: 1 of 16

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47.00 Benton County

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Benton County

Return Name and Address:
 Paul Bodmer
 1723 Sagewood St.
 Richland, WA 99352

PLEASE PRINT OR TYPE INFORMATION:

Document Title(s)(or transactions contained therein):

1. Declaration of Covenants, Conditions and Restrictions
2. Sagewood Meadows
- 3.
- 4.

Grantor(s)(Last name first, first name, middle initials):

1. Sagewood Meadows Homeowners Association
- 2.
- 3.
- 4.

Additional names on page _____ of document.

Grantee(s)(Last name first, first name, middle initials):

1. the public
- 2.
- 3.
- 4.

Additional names on page 15 of document.

Legal description (abbreviated: ie. lot, block, plat or section, township, range, qtr./qtr.)

Lots 1 through 200, inclusive.

Additional legal is on page 1 of document.

Reference Number(s) of documents assigned or released: supercedes and replaces
 in entirety ~~restriction~~ under auditors file # 93-210972

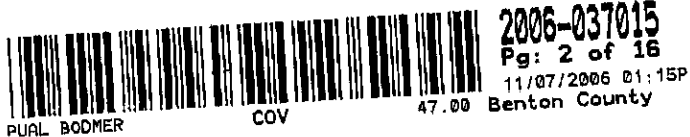
Additional numbers on page _____ of document.

Assessor's Property Tax Parcel/Account Number

Property Tax Parcel ID is not yet assigned. 126984030001001

Additional parcel numbers on page _____ of document.

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information.



DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

SAGEWOOD MEADOWS

BENTON COUNTY, WASHINGTON

This declaration, dated October 3, 2006, supersedes and replaces in entirety restrictions recorded July 22, 1993 under auditor's file No. 93-210972.

THIS DECLARATION is made and entered into on the date set forth at the end hereof by the Sagewood Meadows Homeowners Association, a Washington Non-profit Corporation, herein after referred to as Declarant. Declarant is the owner of the following described real property situated in the City of Richland, Count of Benton, State of Washington:

Lots 1 through 200 inclusive, SAGEWOOD MEADOWS according to the Plats thereof recorded as Phase 1, 2 and 3 in Book 14 of Maps, Pages 139, 175 and 159 respectively and Phase 4,5 and 6 in Book 15 of Maps, Pages 6, 47, and 68 respectively, of the official records of the County Recorder of the Benton County, Washington.

Declarant hereby declares that Sagewood Meadows, and all lots and property therein, shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold and improved subject to the following conditions and restrictions, all of which are and shall be interpreted to be for the purpose of enhancing and protecting the value and attractiveness of Sagewood Meadows and all Lots therein. All of the limitations, covenants, conditions and restrictions shall constitute covenants which shall run with the land and shall be binding upon Declarant, its successors and assigns and all parties having or acquiring any right, title or interest in or to any part of Sagewood Meadows.

ARTICLE 1

DEFINITIONS

Section 1: "Assessment" shall mean that portion of the cost of maintaining, improving, repairing, operating and managing the Common Area, Entryways and operating the Association which is to be paid by each Lot Owner as determined by the Association and as provided herein.

Section 2: "Association" shall mean The Sagewood Meadows Homeowners Association, a Washington nonprofit corporation. The Association shall be established by the filing of its Articles of Incorporation (the "Articles") and governed by its Bylaws (the "Bylaws").

Section 3: "Common Area(s)" shall mean the 20' Utility, Landscaping and Access Control Easements located on the north and south side of Mountain View Lane and Leslie Boulevard, on the north and south side of Mesa Lane and Leslie Boulevard, and on the east and west side of Elementary Street and Keene Road; also any future Utility, Landscaping and Access Control Easements which may be created as designated on the Plats, including all structures, facilities, improvements and landscaping thereon and all rights, and appurtenances relating thereto. Title to the Common Areas shall be conveyed to the Association by the Declarant for the benefit of all of the Lot Owners upon the completion of all of the improvements designed therefore and approved as required by the Veterans



Administration and the County of Benton. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every lot subject to the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated on the Common Area, the right of the Association to suspend Common Area use rights as provided in the Bylaws and the right of the Association to dedicate or transfer Common Area to any public agency, authority or utility company as provided in the Articles. Any Owner may delegate, in accordance with Sagewood Meadows Documents, his right of enjoyment to the Common Area and facilities thereon to members of his family, tenants and contract purchasers who reside on his lot.

Section 4: N/A

Section 5: "Lot" shall mean and refer to one of the separately designated plots as shown on the recorded Plat, together with any improvements thereon.

Section 6: "Member" shall mean and refer to those persons entitled to membership in the Association as provided herein. See Section 2 Article II.

Section 7: "Owner" shall mean and refer to the record holder of title to a lot in Sagewood Meadows. This shall include any person having fee simple title to any Lot in Sagewood Meadows, but shall exclude persons or entities having interest merely as security for the performance of any obligation. Further, if a Lot or other property is sold under a recorded contract of sale or subdivision trust to a purchaser, the purchaser, rather than the fee owner, shall be considered the "Owner" as long as he or a successor in interest remains the contract purchaser or purchasing beneficiary under the recorded contract or subdivision trust.

Section 8: "Plat" shall mean those certain plats of Sagewood Meadows by Declarant, Phase 1, 2 and 3 in Book 14 of Maps, Pages 139, 175 and 159 respectively and Phase 4,5 and 6 in Book 15 of Maps, Pages 6, 47, and 68 respectively, of the official records of the County Recorder of Benton County, Washington, together with any other plats of all or any portion of Sagewood Meadows, as the same are amended from time to time.

Section 9: "Sagewood Meadows" shall mean only that certain real property shown on the plats.

Section 10: "Project Document" shall mean and include this Declaration, as it may be amended from time to time, the exhibits, if any attached hereto, the Plats, the Articles and Bylaws and any "Rules and Regulations" adopted from time to time by the Association as provided herein or in the Bylaws.

ARTICLE II

ADMINISTRATION, MEMBERSHIP AND VOTING RIGHTS OF THE ASSOCIATION

Section 1: Basic Duties of the Association The management of the Common Area and Entryways shall be vested in the Association in accordance with this Declaration and the Articles and Bylaws. The Owners covenant and agree that the administration of Sagewood Meadows shall be in accordance with the provisions of this Declaration, the Articles and the Bylaws and any Rules and Regulations adopted by the Association as provided herein or in the Articles and Bylaws, subject to the standards set forth in

the Declaration and all applicable laws, regulations and ordinances of any government or quasi-governmental body or agency having jurisdiction over Sagewood Meadows.

Section 2: Membership The Owner of a Lot shall automatically, upon becoming the Owner of same, be a Member of the Association and shall remain a Member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership shall be in accordance with the Articles and the Bylaws of the Association. No Owner shall have more than more than one voting membership.

Section 3: Transfer of Membership Membership in the Association shall not be transferred, pledged or alienated in any way, except upon the transfer of ownership of the Lot to which it is appurtenant, and then automatically to the new Owner as provided in Section 2 above. Any attempt to make a prohibited transfer is void. Upon the transfer of an ownership interest in a Lot, the Association shall record the transfer upon its books, causing an automatic transfer of membership as provided in Section 2 above.

Section 4: Membership Classes The Association shall have one (1) class of voting membership established according to the following provision:

- A. Class A Membership shall be that held by each Owner of a Lot and each Class A Member shall be entitled to one (1) vote for each lot owned. If a Lot is owned by more than one (1) person, each such person shall be a Member of the Association but there shall be no more than one (1) vote for each Lot.

Section 5: Association Voting Requirements Any action by the Association which must have the approval of the Association memberships before being undertaken shall require the vote of fifty-one percent (51%) of the membership present and voting at a duly called and held meeting of the membership at which a quorum as prescribed herein or in the Bylaws has been constituted or the written assent of the fifty-one (51%) of the membership unless another percentage is specifically prescribed by a provision with this Declaration, the Bylaws or the Articles.

Section 6: Vesting of Voting Rights No Owner of any Lot shall have any voting rights attributable to that Lot until an Assessment has been levied against that Lot and Owner by the Association pursuant to Article III below.

Section 7: Meetings of the Association Regular and special meetings of Members of the Association shall be held with the frequency, at the time and place and in accordance with the provisions of the Bylaws.

Section 8: Board of Directors The affairs of the Association shall be managed by a Board of Directors which shall be established and which shall conduct regular and special meetings according to the provisions of the Bylaws.

ARTICLE III

ASSESSMENTS AND CHARGES



Section 1: Assessment Obligations Each Owner of any Lot, by acceptance of a Deed or recorded Contract of Sale thereof, whether or not it shall be so expressed in such document, is deemed to covenant and agree to pay to the Association (a) regular annual Assessments, (b) Special Assessments for capital improvements and unexpected expenses and (c) other charges made or levied by the Association against the Owner or Lot pursuant to the Declaration or the Bylaws, such Assessments and charges to be established and collected as provided herein and in the Bylaws. Any part of any Assessment (or other amount due from the Owner to the Association, including interest) not paid within when due as established in this Article III shall bear interest at the rate of twelve percent (12%) per annum from the due date until paid and shall be subject to a reasonable late charge not exceeding twenty five percent (25%) of the delinquent amount as determined by the Board. The annual and special Assessments and any other charge made against an Owner or a Lot pursuant to this Declaration (whether or not a lawsuit or other legal action is instituted or commenced) as provided herein, shall be a charge and a continuing lien upon the Lot (hereinafter "Assessment lien"). Each such Assessment and charge, together with interest, late charges, costs and reasonable attorneys' fees as provided above, shall also be the personal obligation of the person who was the owner of such Lot at the time the Assessment or other charge fell due as provided in the Article III or elsewhere in this Declaration, but this personal liability shall not pass to successors in title 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 on that Lot. No Owner of a Lot may exempt himself from liability for Assessments by waiver of the use or enjoyment of any of the Common Area or by the abandonment of his Lot.

Section 2: Purpose of Assessments The Assessments by the Association shall be used exclusively to promote the recreation, health, safety and welfare of all the residents in Sagewood Meadows, for the improvement and maintenance of the Common area and Entryways as provided herein and for the common good of Sagewood Meadows. Annual Assessments shall include an adequate reserve fund for taxes, insurance, maintenance, repairs and replacement of the Common Area and Entryways and other improvements which the Association is responsible for maintaining.

Section 3: Annual Assessments The Board shall annually determine and fix the amount of the annual (Calendar year) Assessment against each Lot at an amount not exceeding the maximum annual Assessment for the year in question as described below, and shall notify the Owner of each lot in writing as to the amount of such annual Assessment not less than forty-five (45) days prior to the date that such Assessment is to commence. The annual Assessment against each Lot as fixed by the Board shall not exceed the maximum annual Assessment amount then in effect and shall not be decreased by more than twenty percent (20%) of the annual Assessment against the Lot for the prior calendar year without the affirmative vote of two-thirds (2/3) of the voting power of Class A Members voting in person or by proxy at a meeting duly called for this purpose. Except as to the maximum annual Assessment amount for the first year as set forth below, the maximum annual Assessment shall be automatically increased each year by a percentage equal to the percentage increase, if any in the Consumer Price Index - United States City Average for Urban Wage Earners and Clerical Workers - All Items (published by the Department of Labor, Washington, D.C.) for the year ending with the preceding July (or a similar index chosen by the Board if the above-described Index is no longer published) without the vote or approval of the Members of the Association; however, the maximum annual Assessment amount may be increased by an amount in excess of the amount produced by the foregoing formula only if such increase is approved by the affirmative vote of two-thirds (2/3) of the voting power of Class A Members voting in person or by proxy at a meeting duly called for this purpose. All annual Assessments shall be payable in twelve (12) equal monthly installments, four (4) equal quarterly installments, or one annual installment, at the option of the Board. Annual assessments shall begin on January 1, 1995, in which the maximum Assessment amount per Lot shall be \$180⁰⁰.

Section 4: Special Assessments In addition to the regular annual Assessments authorized above, the Board may levy in any Assessment year, a special Assessment application to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, Entryways or other improvements the Association is responsible for maintaining, including fixtures and personal property related thereto, or to defray any unanticipated or underestimated expense normally covered by a regular Assessment and, where necessary, for taxes assessed against the Common Area, provided however, that no such special Assessment shall be made without the affirmative vote of two-thirds (2/3) of the voting power of Class A Members voting in person or by proxy at a meeting duly called for this purpose.

Section 5: Procedures for Voting on Assessments Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all Owners not less than seven (7) days nor more than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of Members or proxies therefore entitled to cast sixty percent (60%) of all of the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than seven (7) days following the preceding meeting.

Section 6: Allocation of Assessment The Owners of each Lot shall bear an equal share of each regular and special Assessment except as specified in Sections 3 and 4 of this article.

Section 7: Commencement of Assessment Due dates of Assessments shall be established by the Board and notice shall be given to each Lot Owner at least forty-five (45) days prior to any due date, provided that if Assessments are to be due on a monthly basis, no notice shall be required other than an annual notice setting forth the amount of the monthly Assessment and the day of each month on which each Assessment is due.

Section 8: Effect of Transfer of Lot by Sale or Foreclosure The sale or transfer of any Lot shall not affect the Assessment lien or liability for Assessments due and payable except as provided below. No sale or transfer of a Lot shall relieve such Lot from liability for any Assessment thereafter becoming due or from the lien therefore. Where, however, the First Mortgage of a First Mortgage of record or another person obtains title to a Lot as a result of foreclosure, trustee's sale or deed in lieu thereof of any such First Mortgage, such First Mortgage or other person shall not be liable for the Assessments by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such First Mortgage or other person, and the Assessment lien therefore on such Lot shall be extinguished. Such unpaid Assessments shall be deemed to be common expenses collectible from all of the Lots through regular or special Assessments as provided herein. In a voluntary conveyance of a Lot, the grantee of the same shall be personally liable for Assessments or any other charges due to the Association in connection with that Lot which accrued prior to the conveyance unless liability therefore is specifically assumed by the grantee. Any such grantee shall be entitled to a statement from the Association setting for the amount of unpaid Assessments due the Association, and such grantee shall not be liable for nor shall the Lot conveyed be subject to a lien for any unpaid Assessments made by the Association against the grantor in excess of the amount set forth in the statement, provided however, the grantee shall be liable for any such Assessment becoming due after the date of any such statement.

Section 9: Remedies for Nonpayment When any Homeowner Assessment or other amount due from an Owner to the Association on behalf of any Lot is not paid within thirty (30) days after the due date, the lien therefore may be enforced by foreclosure of the lien and/or sale of the Lot by the Association,

its attorney or other person authorized by this Declaration or by law to make the sale or as provided herein. The lien may be foreclosed and the Lot sold in the same manner as a realty mortgage and property mortgaged thereunder, the Lot may be sold pursuant to the statutory or customary procedures for sales of trust property under deeds of trust (with the Association acting as trustee) or the lien may be enforced or foreclosed in any other manner permitted by law for the enforcement or foreclosure of liens against real property or the sale of property subject to such a lien. Any such enforcement, foreclosure or sale action may be taken without regard to the value of such Lot, the solvency of the Owner thereof or the relative size of the Owner's default. Upon the sale of a Lot pursuant to this section, the purchaser thereof shall be entitled to a deed to the lot and to immediate possession thereof, and said purchaser thereof shall be entitled to a deed to the Lot and to immediate possession thereof, and said purchaser may apply to a court of competent jurisdiction for a writ of restitution or other relief for the purpose of acquiring such possession, subject to applicable laws. The proceeds of any such sale shall be applied as provided by applicable law but, in the absence of any such law, shall be applied first to discharge costs thereof, including but not limited to court costs, other litigation costs, costs and attorney's fees incurred by the Association, all other expenses of the proceedings, interest, late charges, unpaid Assessments and other amounts due to the Association, and the balance thereof shall be paid to the Owner. It shall be a condition of any such sale, and any judgments or orders shall so provide, that the purchaser shall take the interest in the Lot sold subject to this Declaration. The Association, acting on behalf of the Lot Owners, shall have the power to bid for the Lot at any sale and to acquire and hold, lease, mortgage or convey the same. In the event the Owner against whom the original Assessment was made is the purchaser or redemptioner, the lien shall continue in effect and said lien may be enforced by the Association, or by the Board for the Association, for the Lot's Assessments and other amounts that were due prior to the final conclusion of any such foreclosure, sale or equivalent proceedings. Further, notwithstanding any foreclosure of the lien or sale of the Lot, any Assessments and other amount due after application of any sale proceeds as provided above shall continue to exist as personal obligations of the defaulting Owner of the Lot to the Association, and the Board may use reasonable efforts to collect the same from said Owner even after he is no longer a Member of the Association.

Section 10: Suspension of Rights In addition to all other remedies provide for in this Declaration or at law or in equity, the Board may temporarily suspend the Association voting rights and/or rights to use the Common Area of a Lot Owner who is in default in the payment of any Assessment or any other amount due to the Association, as provided in the Bylaws.

Section 11: Other Remedies The rights, remedies and powers created and described in Sections 9 and 10 and elsewhere in this Declaration, the Articles or the Bylaws are cumulative and may be used or employed by the Association in any order or combination, except as specifically provided to the contrary herein. Without limiting the foregoing sentence, suit to recover a money judgment for unpaid Assessments, interest, rent costs, attorney's fees and/or other amounts due hereunder, to obtain specific performance of obligations imposed hereunder and/or to obtain injunctive relief may b maintained without foreclosing, waiving, releasing or satisfying the liens created for Assessments or other amounts due hereunder.

Section 12: Unallocated Taxes In the event that any taxes are assessed against the Common Area or the personal property of the Association, rather than against the Lots, said taxes shall be included in the Assessments made under the provisions of this article, and, if necessary, a special Assessment may be levied equally against all of the Lots in an amount equal to said taxes, as provided in Section 4 of this article.



ARTICLE IV

DUTIES AND POWERS OF THE ASSOCIATION

Section 1: Duties and Powers of the Association In addition to the duties and powers enumerated in the Bylaws and the Articles, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall:

- A. Maintain, paint, repair, replace, restore, operate and keep in good condition all of the Common Area, Entryways and all facilities, improvements, furnishings, equipment and landscaping thereon as well as the exterior of the perimeter fences and entryway landscaping adjacent to Leslie Boulevard, as well as landscape contiguous to existing collector streets within the subdivision which have tree or shrubbery enhancement. The responsibility of the Association for maintenance and repair shall not extend to repairs or replacements arising out of, or caused by the willful or negligent act or neglect of an Owner or his guests, tenants or invitees. The repair or replacement of any portion of the Common Area or any Lot resulting from such excluded items shall be the responsibility of each Owner. The Association shall be entitled to commence an action at law or in equity to enforce this responsibility and duty and/or recovery damages for the breach thereof. Liability hereunder shall be limited to that provided for or allowed in the statutory or case law of the State of Washington.

- B. Obtain and continue in effect comprehensive public liability insurance insuring the Association, or a buyer or builder, the agents and employees of each and the Owners and their respective family members, guest and invitees against any liability incident to the ownership or the use of the Common Area, including, if obtainable, a cross-liability endorsement insuring each insured against liability to each other insured and a "severability of interest" endorsement precluding the insurer from denying coverage to one Owner because of the negligence of other Owners or the Association or other insureds. Such insurance shall be in amounts deemed appropriate by the Board. Additionally, the Association shall obtain and continue in effect a policy of multi-peril insurance, providing at a minimum fire and extended coverage, said coverage to be obtained on a replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based upon replacement cost) of all improvements (providing for replacement of insured improvements from insurance loss proceeds) and may also contain vandalism and malicious mischief coverage, a stipulated amount clause and a determinable cash adjustment clause or a similar clause to permit cash settlement covering the full value of the improvements. All insurance premiums shall be included in the Assessments of the Association. If any of the improvements, furnishings or equipment on the Common area are damaged by fire or other casualty, insurance proceeds to the Association shall be use to rebuild, repair or replace the same substantially in accord with the original plans and specification therefore unless the Association membership otherwise determines in a meeting called for the purpose of considering the same. Any excess insurance proceeds shall be deposited in the general fund of the Association. In the event insurance proceeds are inadequate therefore, then the Association may levy a special Assessment on Lot Owners therefore as provided in Article III. The Association's use of funds from its general account or levy of a special Assessment shall not constitute a waiver of the Association's or any Owner's right to institute any legal proceeding or suit against the person or persons responsible, purposely or negligently, for the damage.

- C. Enforce the provisions of the Declaration by appropriate means, including without limitation the expenditure of funds of the Association, the employment of legal counsel and the commencement of legal actions.

- D. Grant and reserve easements where necessary for utilities and sewer facilities over the Common Area to serve the Common Area and Lots.
- E. Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, subject to the Bylaws and restrictions imposed by any governmental or quasi-governmental body or agency having jurisdiction over Sagewood Meadows.
- F. Adopt reasonable rules not inconsistent with the Declaration, the Articles or the Bylaws relating to the use of the Common Area and all facilities thereon and the conduct of Owners and their and guests with respect to Sagewood Meadows and other Owners.
- G. Adopt a schedule of reasonable monetary penalties for violation by Owners of the provisions of this Declaration, the Articles, the Bylaws and Rules and Regulations of the Association and impose the same according to procedures in the Bylaws.

ARTICLE V

USE RESTRICTIONS

Section 1: Use of Lots as a Single Family Subdivision All Lots within Sagewood Meadows shall be known and described as residential Lots and shall be occupied and used for single family residential purposes only, and construction thereon shall be restricted to single-family houses and related improvements. No business uses or activities of any kind whatsoever shall be permitted or conducted in Sagewood Meadows, except as set forth in Section 4 of this Article below. No Owner shall bring any actions for or cause partition of any Lot, it being agreed that this restriction is necessary in order to preserve the rights of the Owners. Judicial partition by sale of a single Lot owned by two or more persons or entities and the division of the sale proceeds is not prohibited (but partition of title to a single Lot is prohibited). No horizontal property regime or condominium shall be created within Sagewood Meadows. No unsightly objects or nuisance shall be erected, placed or permitted which may endanger the health or unreasonably disturb the Owner or occupant of any Lot. No noxious, illegal or offensive activities shall be conducted on any Lot.

Section 2: Nature of Buildings No buildings or structures shall be moved from other locations onto any Lot, and all improvements erected on a Lot shall be of new construction. No structure of a temporary character and no trailer, basement, shack, garage, barn or other out-building shall be used on any Lot at any time as a residence, either temporarily or permanently.

Section 3: Animals No animals, livestock or poultry shall be raised bred or kept on any Lot except that customary household pets such as dogs, cats, other domesticated small animals and household birds may be kept; but only such number and types shall be allowed which will not create a nuisance or disturb the health, safety, welfare or quiet enjoyment of the Lots by the Owners. All animals shall be kept under reasonable control at all times and in accordance with applicable laws. All animal wastes must be promptly disposed of in accordance with applicable city or county regulations. Upon the written request of any Owner, the Board shall conclusively determine, in its sole and absolute discretion, whether a particular animal constitutes a customary household pet or is a nuisance, or



whether the number of animals or birds maintained on any portion of Sagewood Meadows is reasonable. Any decision rendered by the Board shall be final.

Section 4: Signs, Restrictions on Commercial Uses No sign of a commercial nature, except for one "For Rent" or one "For Sale" sign and of no more than five (5) square feet, shall be allowed per lot in Sagewood Meadows. No signs may be installed or placed upon the Common Area except as provided in Subarticles 3.3 and 5.1 of the Bylaws. No stores or other places of business of any character, or any institution or other place for the care or treatment of the sick, disabled, physically or mentally, shall be placed or permitted to remain on any of said Lots, nor shall any theater, bar, restaurant, saloon, or other place of entertainment ever be erected or permitted on any Lot. No business of any kind or character whatsoever except such Occupant-run business that can be conducted within the confines of a home office with no other commercial intercourse except through use of telephone, internet or mail services nor would cause noticeable pedestrian or vehicle traffic shall be conducted in or from any Lot. No unsightly objects or nuisance shall be erected, placed or permitted on any Lot.

Section 5: Use of Garages No garage may be converted to living space or for recreational use without the prior written consent of the Architectural Control Committee.

Section 6: Size of Houses Unless approved in writing by the Architectural Control Committee, no house having a ground floor level of less than 1000 square feet, exclusive of open porches, ramadas, patios, balconies, pergolas, detached garage or attached garage, if any, shall be erected, permitted or maintained on any Lot in Sagewood Meadows.

Section 7: Solar Collectors Solar collectors and related equipment may be installed on roofs of houses and elsewhere on Lots, provided written approval is obtained from the Architectural Control Committee Pursuant to Article VII. The Association, through the Architectural Control Committee, may from time to time adopt guidelines concerning the types of solar collectors and related equipment which may be installed in Sagewood Meadows and acceptable means of installation therefore.

Section 8: Storage Sheds and Swings No storage sheds or similar or related type objects shall be located on any Lot if the height of such object is substantially greater than the height of the fence on or adjoining said Lot or if such object is visible from the front of the Lot or as approved by the Architectural Review Committee. All swings and slides (including those used in connection with swimming pool) shall be at least seven (7) feet from all fences located on or near perimeter Lot Lines.

Section 9: Screening Materials All screening materials, whether fences, hedges or walls, shall be maintained and replaced from time to time as necessary on the Lots by the Owners thereof in accordance with the original construction of the improvements by the Declarant, or as approved by the Architectural Control Committee pursuant to Article VII.

Section 10: Garbage and Rubbish, Storage Areas Each Lot shall be maintained free of rubbish, trash, garbage or other unsightly items or equipment, and the same shall be promptly removed from each Lot and not allowed to accumulate thereon, and no garbage, trash or other waste materials shall be burned on any Lot. Garbage cans, clotheslines, woodpiles and areas for the storage of equipment and unsightly items shall be kept screened by adequate fencing or other aesthetically pleasing materials acceptable to the Architectural Control Committee so as to conceal same from the view of adjacent Lots and streets.

Section 11: Vehicles No vehicle, wagon, trailer, camper, motor home or boat of any type which is abandoned or inoperative shall be stored or kept on any Lot or in front of any Lot in such manner as to be visible from any other Lot or any street or alleyway within or adjacent to Sagewood Meadows. No



vehicles, wagons, trailers, campers, motor homes or boats or other mechanical equipment may be dismantled or allowed to accumulate on any Lot or in front of any Lot. No commercial vehicle; nor camper, boat trailer, motor home or recreational vehicle or similar type vehicle shall be parked in front of a Lot in a front driveway or otherwise on a Lot where it can be seen from any street, except for temporary parking only, not exceeding four (4) consecutive days nor a total of nine (9) days in any month. Commercial vehicles shall not include sedans or standard size pickup trucks which are used both for business and personal use, provided that any signs or markings of a commercial nature on such vehicle shall be unobtrusive and inoffensive as determined by the Architectural Control Committee.

Section 12: Sanitary Facilities None of the Lots shall be used for residential purposes prior to the installation thereon of water-flushed toilets and all bathrooms, toilets and sanitary conveniences shall be inside the house permitted hereunder on each Lot.

Section 13: Lights and Antennae Except as initially installed by the builder, no spotlights, flood lights or other high intensity lighting shall be placed or utilized upon any Lot or any structure erected thereon which in any manner will allow light to be directed or reflected on any other Lot or the Common Area, or any part thereof without the prior written consent of the Board. No television, radio, or amateur broadcast antennae shall be visible from roadways or lots within the subdivision or Common Areas. Satellite dishes greater than one (1) meter in diameter are prohibited. Satellite dishes must be only attached to permanent buildings, and not fences or other mountings.

Section 14: Window Cover Materials Prior to installation of any reflective materials on the windows or any portion of the house or any other area on any Lot, approval and consent must be obtained from the Architectural Control Committee pursuant to Article VII.

Section 15: Drilling and Mining No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil, water wells, tanks, tunnels, mineral extractions, or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil natural gas shall be erected, maintained or permitted upon any Lot.

Section 16: Landscaping Unless installed by the Buyer or Builder of a Lot, the landscaping on each Lot must be installed and substantially in an attractive manner by the Owner within six (6) months from the date of close of escrow of a newly acquired or constructed home based upon plans thereon approved in advance by the Architectural Control Committee pursuant to Article VII. Landscaping at all times must be maintained by each Owner in a neat and attractive manner. Any significant alterations or modifications made to the original landscaping and/or grade as originally installed shall be approved in advance by the Architectural Control Committee. If any Owner does not install and complete approved landscaping within the six month period described above or if he/she does not maintain his landscaping in a neat and attractive manner, buyer or builder of the Lot or the Architectural Control Committee, after giving the Owner fifteen (15) days written notice to cure any such default, shall have the right to cause the necessary landscaping work to be done and the Owner in default shall be responsible for the cost thereof and the parties expending funds for such work shall have a lien on the defaulting Owner's Lot for the funds expended together with interest thereon at the rate of fifteen percent (15%) per annum until paid. In addition to the foregoing, any party may utilize remedies available under Article VIII, Section 1, for such Owner's default.

Section 17: Leasing The Owners of Lots shall have the absolute right to lease their respective Lots and the dwelling thereon provided that any such lease is in writing and is specifically made subject to the covenants, conditions, restrictions, limitations and uses contained in this Declaration and the Bylaws and any reasonable Rules and Regulations published by the Association. Any Owner who



leases his/her Lot shall provide a copy of the lease to the Association within ten (10) days of its execution.

Section 18: Damage to Common Area The Owner of each Lot shall be liable to the Association for all damage to the Common Areas, Entryways or improvements thereon caused by such Owner or any occupants, guest or invitee of or to his Lot, this refers to land or properties maintained by the Association. The Association shall be entitled to commence an action at law or in equity under Washington law to enforce this obligation and/or recover damages for the breach thereof.

ARTICLE VI

FENCES AND PERMETER EASEMENTS

Section 1: Fence Requirements Lots, when developed, may be improved with fences at the option of the Builder. All fencing must be approved by the Architectural control Committee. No side or rear fence and no side or rear wall, other than the wall of the house constructed on said Lot, shall be more than six (6) feet in height. Notwithstanding the foregoing, the prevailing governmental regulations and the provisions of Section 3 of this article below shall take precedence over these restrictions if said regulations are more restrictive. Unless otherwise approved by the Architectural Control Committee, all fencing and any materials used for fencing, dividing or defining the Lots must be of new materials, and erected in a good and workmanlike manner. The color(s) of the fencing for the all Lots will be as originally selected and will not be changed without the prior approval of the Architectural Control Committee. All fences shall be maintained in good condition and repair, and fences, upon being started, must be completed within a reasonable time not exceeding three (3) months from commencement of construction. Subject to the other provisions of this section, in the event any fence is wholly or partially damaged by any cause, it shall be removed in its entirety or returned to its original condition within three months from the date of damage; provided, however, any fences installed by any buyer or builder must be promptly restored to their original condition by the Owner(s) of the adjacent Lots. The Association will perform routine maintenance of the exterior sides of Leslie Road perimeter fences as provided in Article IV, Section 1, but the Owners of the Lots adjacent to said fences shall be responsible to replace the same in the event of destruction thereof. No fences shall be installed in front yards. No chain link fences may be visible from roadways, other lots or Common Areas.

Section 2: Fences as Party Walls

A. Fences which may be constructed upon the dividing line between Lots or adjacent to said dividing lines because of minor encroachments due to engineering errors (which are hereby accepted by all Owners in perpetuity) or because existing easements prevent a fence from being located on the dividing line) shall be maintained and repaired at the joint cost and expense of the adjacent Lot Owners, and fences constructed upon the back of any Lot (which do not adjoin any other Lot) shall be maintained and repaired at the cost and expense of the Lot Owner on whose Lot (or immediately adjacent to whose Lot) the fence is installed. Without limiting the generality of the foregoing, in the event any party wall is wholly or partially damaged or in need of maintenance or repair (other than as a result of any action by either of the Owners, their guests, tenants, invitees, agents or members of their family which shall be governed by the provisions set forth below), then, each of the adjoining Owners shall share equally in the cost of replacing the party wall or restoring the same to it original condition. For this purpose, said adjoining Owners shall have an easement as more fully described in Section 3(B) of this article. Such fences shall not be altered, or changed in design, color, material or



construction from the original installation without the approval of the adjoining Owner(s), if any, and the Architectural Control Committee. In the event any such fence is damaged or destroyed by the act or acts of one of the adjoining Lot Owners, his family, agents, guests or tenants, that Owner shall be responsible for said damage and shall promptly rebuild and repair the fence(s) to its (their) prior condition, at his sole cost and expense. All gates shall be no higher than the adjacent fence.

B. In the event of a dispute between Owners with respect to the repair or rebuilding of a party wall, then, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to arbitration under such rules as may from time to time be adopted by the Association. If no such rules have been adopted, the matter shall be submitted to three arbitrators, one chosen by each of the Owners and the third arbitrator to be chosen within five (5) days by any judge of the Superior Court of the Benton County. A determination of the matter signed by any two of the three arbitrators shall be binding upon the Owners who shall share the cost of arbitration equally. In the event one Owner fails to choose an arbitrator within ten (10) days after personal receipt of a request in writing for arbitration from the other Owner, then said requesting Owner shall have the right and power to choose both arbitrators.

C. Whenever the words "fence" or "fences" or "fencing" appears in this Declaration, they include block walls, chain link fences, wood fences and other materials used as a fence, fences, wall or walls (except a wall which is part of a house).

Section 3: Easements

A. Easements for installation and maintenance of utilities and drainage facilities have been created as shown on the Plat, and additional easements may be created by grant or reservation by the original developers of a portion of Sagewood Meadows for the foregoing purposes, or for the purpose set forth in Subsection 3C below. Except as may be installed by any buyer or builder, no structure, planting of other materials shall be placed or permitted to remain within these easements which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, if any, or which may obstruct or retard the flow of water through the channels in the drainage easement, if any. The easement area of each Lot and all improvements located thereon shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible, and except for any easement area referred to in Subsection 3C below, which may be fenced off by a fence installed by Masterson/Tahvili. In the latter case, the easement area shall be maintained by the Owner of the Lot who has use of the easement.

B. For the purpose of repairing and maintaining any fence or wall located upon the dividing line between Lots (or located near or adjacent thereto because of an existing easement located on the dividing line), and easement not to exceed five (5) feet in width is hereby created over the portion of every Lot immediately adjacent to any perimeter fence or wall to allow the adjoining Owner access for maintenance purposes set forth and no other purpose.

C. In addition to the foregoing, if a fence is not located on a dividing lines between Lots, an easement is hereby created for purposes of constructing and maintaining a fence between Lots over that portion of each Lot adjacent to or near the dividing line wherever a fence may be constructed by original developers thereof within six (6) months after a house is constructed on any Lot. With respect to any fence not located on a dividing line between Lots but located near or adjacent to such dividing line, an Owner of a Lot shall have and is hereby granted a permanent easement over any property immediately adjoining said Owner's Lot up to the middle line of said fence for the use and enjoyment of the same.



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ARTICLE VII

ARCHITECTURAL CONTROL COMMITTEE

Section 1: Creation of Committee For the purpose of maintaining the aesthetic and beautification features and the architectural and aesthetic integrity and consistency within Sagewood Meadows, an Architectural Control Committee (the "Committee") is established. The Board of Directors of the Association shall have the right from time to time to remove and/or replace the members of the Committee.

Section 2: Review by Committee No building or improvements, fences, walls, antennas (including customary TV antennas), underground TV apparatus, broadcasting towers, other structures, landscaping or grade changes or conversion of garage areas to living or recreational space shall be commenced, erected, repaired structurally, replaced or altered (except as set forth below) and no changes to exterior colors of any of the foregoing shall be made until the plans and specifications showing the nature, kind, shape sizes height, color, material, floor plan, location and approximate cost of same shall have been submitted to and approved by the Committee. Failure of the Committee to reject in writing said plans and specifications within forty-five (45) days from the date same were submitted shall constitutes approval of said plans and specifications, provided the design, location, color and kind of materials in the building or improvement or other item to be built, installed or altered in said Lot shall be governed by all of the restrictions herein set forth an said improvement or alteration or other item shall be in harmony with existing buildings and structures in Sagewood Meadows. Approval of plans and specifications shall not be unreasonably withheld and rejection of any proposal reflected in plans or specifications must be based on reasonable judgment as to the effect said construction, installation or alteration will have on Sagewood Meadows as a whole. The Committee shall have the right to refuse to approve any such plans and specifications which are not suitable or desirable in their opinion for aesthetic or other reasons and in so passing upon such plans and specifications, it shall have the right to take into consideration the suitability of the proposed improvements or other structure or alteration, and of the material (including type and color) of which it is to be built, the site (including location, topography, finished grade elevation) upon which it is proposed to be erected, the harmony thereof with the surroundings (including color and quality of materials and workmanship) and the effect of the improvements or other structure or alteration as planned ed on the adjacent or neighboring property including visibility and view. The Committee's approval of materials submitted to it shall not be interpreted or deemed to be an endorsement or verification of the safety, structural integrity or compliance with applicable or building ordinances of the proposed improvements or alterations and the Owner and/or its agents shall be solely responsible therefore. The Committee and its members shall have no liability for any lack of safety, integrity or compliance thereof. The Committee and its members shall have no personal liability for judicial challenges to its decisions and the sole remedy for a successful challenge to a decision of the Committee shall be an order overturning the same without creating a right, claim or remedy for damages.

Section 3: Improvements by Buyers for Builders The plans, specifications and elevations of all houses, buildings or other improvements, landscaping and other structures or other items that a buyer or builder intends to construct, install or erect in Sagewood Meadows, whether or not the same is visible form another Lot, Common Area or public street, shall be subject to the review and approval of the Architectural Control Committee prior to the commencement thereof in accordance with the procedures set forth above. In addition to the foregoing requirements, such buyers or builders shall

strictly comply with the design and improvement standards adopted by Declarant from time to time for Sagewood Meadows as such standards are revised from time to time in Declarant's sole discretion, provided that any such buyer or builder may continue construction within Sagewood Meadows in accordance with plans, specifications and elevations consistent with the standards in effect at the time the plans, specifications and elevations were submitted by Declarant, The Committee shall refuse approval; of any such buyers or builders plans, specifications and elevations if the same do not comply with the standards then in effect.

ARTICLE VIII

GENERAL

Section 1: Effect of Declaration and Remedies The declarations, limitations, easements, covenants, conditions and restrictions contained herein shall run with the land shall be binding on all persons purchasing or occupying any Lot in Sagewood Meadows after the date on which this Declaration is recorded. In the event of any violation or attempted violation of these covenants, conditions and restrictions, they may be enforced by an action brought by the Association Architectural Control Committee or by the Owner or Owners (not in default) of any Lot or Lots in Sagewood Meadows, at law or in equity. Remedies shall include but not be limited to damages, injunctive relief and/or any and all other rights or remedies pursuant to law or equity and the prevailing party shall be entitled to collect all costs incurred and reasonable attorneys' fees sustained in commencing and/or defending and maintaining such lawsuit. Any breach of these covenants, conditions and restrictions, or any remedy by reason thereof, shall not defeat nor affect the lien of any mortgage or deed or trust made in good faith and for value upon the Lot in question but all of these covenants, conditions, and restrictions shall be binding upon and effective against any Owner of a Lot whose title thereto is acquired by foreclosure, trustee's sale or otherwise, and the breach of any of these covenants and restrictions may be enjoined, abated or remedied by appropriate proceedings, notwithstanding the lien or existence of any such mortgage or deed of trust.

All instruments of conveyance of any interest in any Lot shall contain (and if not, shall be deemed to contain) reference to this declaration and shall be subject to the declarations, limitations, easements, covenants, conditions and restrictions herein as fully as though the terms and conditions of this Declaration were therein set forth in full; provided, however, that the terms and conditions of this Declaration shall be binding upon all persons affected by its terms, whether express reference is made to this Declaration or not in any instrument of conveyance, No private agreement of any adjoining property owners shall modify or abrogate any of these restrictive covenants, condition and restrictions.

Section 2: Severability Invalidity of any one or more of these covenants, conditions and restrictions or any portion thereof by judgment or court order shall in no way affect the validity of any of the other provisions and the same shall remain in full force and effect.

Section 3: Rules Concerning Buyers and Builders; Transfer by Declarant Notwithstanding anything to the contrary contained herein, the Architectural Control Committee shall have the right from time to time to promulgate and amend reasonable rules and regulations concerning the conduct and operations and building activities of any other buyers or builders who shall be bound thereby.

Section 4: Miscellaneous This Declaration shall remain and be in full force and effect for an initial term of thirty-five (35) years from the date this Declaration is recorded Thereafter, this Declaration shall



be deemed to have been renewed for successive terms of ten (10) years, unless revoked by an instrument in writing and executed by the then Owners of not less than seventy-five percent (75%) of the Lots in Sagewood Meadows, which said instrument shall be recorded in the office of the County Recorder of Benton County, Washington, within ninety (90) days prior to the expirations of the initial effective period hereof, or any ten (10) year extension. At any time, this declaration may be amended by an instrument in writing and executed by the then Owners of not less than seventy-five percent (75%) of the Lots in Sagewood Meadows. If there is any conflict between any of Sagewood Meadows Documents, the provisions of the Declaration shall prevail. Thereafter, priority shall be given to Sagewood Meadows Documents in the following order: the Plat, Articles, Bylaws and Rules and Regulations of the Association.

DATED this 13 day of OCTOBER, 2006.

Sagewood Meadows Homeowners Association
1825 Leslie Road, #120
Richland, WA. 99352

By Clem Matylinski
Clem Matylinski, President
By Mimi Mosthog
Mimi Mosthog, Secretary

STATE OF WASHINGTON)
ss.)
COUNTY OF BENTON)

I certify that I know or have satisfactory evidence that Clem Matylinski and Mimi Mosthog signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of the Sagewood Meadows Homeowners Association, and to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal on this 13 day of October, 2006 in this certificate above written.

Notary Public in and for the State of Washington, residing at Benton County.

Claudia R. Shaffer

