(TE) 2.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by TANGLEWILDE DEVELOPMENT CORPORATION, hereinafter referred to as "Declarant",

WITNESSETH:

WHEREAS, the Declarant is the owner of certain property in Thurston County, State of Washington, which is more particularly described as:

See attached "Exhibit A"

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to TANGLEWILDE EAST DIVISION IIIA and IIIB HOMEOWNERS ASSOCIATION, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to

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that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

See attached "Exhibit B"

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section.6. "Declarant" shall mean and refer to Tanglewilde Development Corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

ARTICLE II

Property Rights

Section 1. Owners' Easements of Enjoyment.

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 following provisions:

- (a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed 60 days for any infraction of its

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published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

Membership and Voting Rights

Section 1. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A: Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any lot.

Class B: The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and

be converted to Class A membership on the happening of either of the following events, whichever occurs first:

- (a) when the total votes outstanding in the Class
 A membership equal the total votes outstanding in
 the Class B membership, or
- (b) on January 1, 1983.

ARTICLE IV

Covenants for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each lot owned within the Properties, hereby covenants, and each Owner for each lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessments, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Properties and for the improvements and maintenance of the Common Area.

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Section 3 Maximum Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$30.00 per lot.

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.
- (b) From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased above 5% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.
- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Improvements. In addition to the annual assessments authorized above, the Association may levy, in an assessment year, a special assessment applicable 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, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action

Authorized Under Sections 3 and 4. Written notice of any

meeting called for the purpose of taking any action authorized

under Section 3 or 4 shall be sent to all members not less, than 30 days or more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all of the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice required, 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 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all lots and may be collected on a monthly basis.

Section 7. Date of Commencment of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least 30 days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments:

Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 6 percent (6%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape the liability for the assessments provided for herein by nonuse of the Common Area or abondonment of his lot.

Section 9. Subordination of the Lien of Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V.

Architectural Control

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated representatives, fails to approve or disapprove such design and location

within thirty (30) days after said plan and specifications have been submitted to it, approval will not be required and this Article shall be deemed to have been fully complied with.

Section 1. Land Use and Building Type No lot shall be used for any purpose other than residential. No building shall be altered, erected, placed, or permitted to remain on any lot other than single family and multiple family dwellings not to exceed two stories in height and a private garage for not more than three cars per residence.

Section 2. Driveway and Sidewalks. All garages located upon any lot shall be connected to the adjacent street by an asphalt or concrete paved driveway. Concrete sidewalks shall be constructed and completed in accordance with county code and subject to approval of the architectural committee. Said sidewalks are to be installed prior to completion of construction.

Section 3. Dwelling Size. The ground floor area of any single family dwelling, exclusive of one story open porches and garages, shall not be less than 1,000 square feet for a one story dwelling, nor less than 800 square feet for a one and one-half story dwelling or two story dwelling.

Section 4. Completion of Structures. All buildings commenced on any lot shall be completed not later than 120 days after construction is commenced.

Section 5. Nuisances. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 6. Temporary Structures. No structure of a temporary character, trailer, tent, shack, garage, barn or

other outbuildings shall be used on any lot at any time as a residence either temporarily or permanently.

Section 7. Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any lot, except that dogs, cats and other household pets may be kept provided they are not kept, bred or maintained for any commercial purposes.

Section 8. Garbage and Refuse Disposal. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept any place on such lots except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

Section 9. Landscaping and Maintenance of Yard Area.

All lots shall be landscaped in a reasonable manner in harmony with existing landscaping on existing lots and yard areas shall be maintained in a quality manner in harmony with existing yard areas. Landscaping on all lots shall be completed within 60 days of completion of construction of the dwelling located on said lot.

Section 10. Non-Operative Motor Vehicles, Trailers and Boats. No non-operative motor vehicle shall be parked, stored or located on any lot, driveway or any street.

Trailers and boats of any length not in excess of 25 feet may be stored or parked on the side or rear of the lot but may not be stored or parked in front of the dwelling house or in the driveway or on the street abutting said lot.

ARTICLE VI

General Provisions

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants,

reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event by deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date of this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90%) percent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members.

Section 5. FHA-VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties; dedication of Common Area; and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunder executed the foregoing this

25th day of October , 1979.

TANGLEWILDE DEVELOPMENT CORPORATION

President

Merry L. Secretary

STATE OF WASHINGTON

County of Thurston

On this day personally appeared before me ROLLAND D. THOMPSON and SHERRY L. BULLARD, to me known to be the President and Secretary, respectively, of Tanglewilde Development Corporation, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.

NOTARY PUBLIC in and for the State of Washington, residing at Olympia.

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"EXHIBIT-A"

Legal Description of Tanglewilde East Division III

That part of Section 12, Township 18 North, Range 1 West, Willamette Meridian, lying Southerly of Primary State Highway 1, Westerly of county road known as Meridian Road, Easterly of Tanglewilde East, Division Two, and Northerly of the following described line:
Beginning at the Southwest corner of the Southwest one-quarter of the Northeast one-quarter of said Section 12, running thence Easterly to a point on the Westerly margin of said Meridian Road 400 feet Northerly of its intersection with the Northerly margin of Martin Way, as recorded in Volume 21 of Plats, pages 63 and 64 through 68, records of Thurston County, Washington.
SUBJECT TO covenants and restrictions of record.

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"EXHIBIT B"

Legal Description of Common Areas of Tanglewilde East Division III

Tracts A through L of the recorded plat of Tanglewilde East Division III as recorded in Volume 21 of Plats, pages 63 and 64 through 68, records of Thurston County, Washington.