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BYLAWS OF QUAIL RESERVE HOMEOWNERS ASSOCIATION

Grantor: Quail Reserve Homeowners Association

Grantee: THE PUBLIC

Abbreviated Legal: NW ¼ OF THE SW ¼ OF SECTION 1, TOWNSHIP 3 NORTH,

RANGE 2 EAST, W.M.

Assessor's Tax Parcel Number(s): 5524974

Other Reference No.: Plat 5569702 Recorded in Book 312, page 8 on December 10,

2018

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BYLAWS OF QUAIL RESERVE HOMEOWNERS ASSOCIATION

ARTICLE 1 - PLAN OF LOT OWNERSHIP; DEFINITIONS

1.1 Bylaws Applicability.

These Bylaws apply to the Lots, the Common Elements, and Limited Common Elements in the Quail Reserve Subdivision, a planned community in Clark County, Washington, legally described on Exhibit A attached hereto, that have been subjected to the Declaration of Covenants, Conditions, and Restrictions for Quail Reserve Subdivision (the "Declaration"), as well as to the Quail Reserve Homeowners' Association, a Washington nonprofit corporation (the "Association"), and the entire management structure thereof.

1.2 Lots; Property.

The Lots, the Common Elements and the Limited Common Elements may be collectively referred to in these Bylaws as the "Property" or "Project" and the Lots individually as a "Lot" or collectively as the "Lots." If the Owners vote not to rebuild any Lot pursuant to Section 10.7.1, that Lot's allocated interests are automatically reallocated upon the vote as if the Lot had been condemned under RCW 64.90.030, and the Association promptly must prepare, execute, and record an amendment to the Declaration reflecting the reallocations.

1.3 Personal Application.

All present or future Owners, tenants, Occupants, and their employees, and any other person that might occupy any portion of the Property in any manner, are subject to the provisions set forth in these Bylaws. The acquisition, rental, or occupancy of any of the Lots constitutes acceptance and ratification of these Bylaws and agreement to comply with all Bylaw provisions.

1.4 Definitions.

Capitalized terms used but not defined herein have the meanings attributed to them in Article 1 of the Declaration.

1.5 Washington Uniform Common Interest Ownership Act.

The Property, all Lots and Owners thereof, and the Association and all Members thereof, are subject to the Washington Uniform Common Interest Ownership Act (RCW 64.90) (the "WUCIOA").

ARTICLE 2 - ASSOCIATION MEMBERSHIP; VOTING; MAJORITY OF OWNERS; QUORUM; PROXIES

2.1 Membership in the Association.

Upon recordation of a conveyance or a land sale contract to convey a Lot, the grantee or contract purchaser named in the conveyance or contract will automatically be and will remain a Member of the Association until the person's ownership ceases for any reason. Membership is appurtenant to and cannot be separated from, ownership of any Lot. For all purposes of the Declaration and the administration of the Property, Lot ownership will be determined from the records maintained by the Association. The record will be established by the Owner filing with 4829-0236-0967, v. 1

the Association a copy of the deed to or land sale contract for the Owner's Lot, to which must be affixed the certificate of the recording officer of Clark County, Washington, showing the date and place of recording of the deed or contract. No person will be recognized as an Owner unless a copy of the deed or contract has been filed with the Association as provided above showing the Owner to be the current Owner or contract purchaser of a Lot. Notwithstanding the foregoing, Declarant is the Owner of all previously unsold Lots, although no deed or land sale contract, with respect to such Lots, has been filed with the Association.

2.2 Voting Rights.

The Members of the Association shall consist of one class. A Member is entitled to one vote for each Lot owned with respect to all matters on which Owners are entitled to vote. When more than one person or entity owns a Lot, the vote for the Lot may be cast as the person or entity determines, but in no event will fractional voting be allowed. Fractionalized or split votes will be disregarded, except for purposes of determining a quorum.

2.3 Majority of Owners.

As used in these Bylaws, the term *majority* means those Owners holding over 50 percent of the voting rights allocated to the Owners in accordance with the Declaration and Section 2.2 above. *Majority of Owners present* means Owners holding over 50 percent of the votes present at any meeting in which a quorum is present.

2.4 Authority to Vote.

All Owners, including those who have leased their Lot to a third party, will be entitled to vote as Members. An Owner's right to vote may not be revoked. A purchaser under a land sale contract entitled to immediate possession of the Lot will be deemed the Owner thereof, unless otherwise provided in the contract.

2.5 Fiduciaries and Joint Owners.

An executor, administrator, guardian, or trustee may vote, in person or by proxy, at any meeting of the Association with respect to any Lot owned or held by the person in such capacity, whether or not the Lot has been transferred to the person's name, as long as the person has satisfied the Secretary (in the Secretary's reasonable discretion) that the person is the executor, administrator, guardian, or trustee holding the Lot in such capacity. Whenever any Lot is owned by two or more persons jointly according to the records of the Association, the vote of the Lot may be exercised by any one of the Owners then present, in the absence of protest by a coowner. In the event of a protest, no one co-owner will be entitled to vote without the approval of all co-owners. In the event of disagreement among the co-owners, the vote of the Lot will be disregarded for all purposes, except for determining whether a quorum is present.

ARTICLE 3 - ADMINISTRATION

3.1 Association Responsibilities.

The Owners constitute the Members of the Association. Except as otherwise provided in the Declaration or these Bylaws, decisions and resolutions of the Association will require approval by a majority of the Owners present at any meeting in which a quorum is present. Owners must be given a reasonable opportunity at any meeting to comment on any matter affecting the common interest or the Association.

3.2 Annual Meetings.

A meeting of the Association must be held at least once a year. The annual meeting of the Members shall be held in November.

3.3 Special Meetings.

Special meetings of the Members for any purpose or purposes unless otherwise prescribed by statute may be called by the President, a majority of the Board of Directors (the "Board"), or by the written request of the Members having twenty percent (20%) of the votes in the Association.

3.4 Transition Meeting.

The Board must call a meeting for the purpose of turning over administrative control of the Association from Declarant to the Members in accordance with Section 8.3.1 of the Declaration. At the Transition Meeting, Declarant must relinquish control of the administration of the Association and the Owners must assume such control and must elect the Board in accordance with the provisions of Article ARTICLE 4 of these Bylaws.

3.5 Place of Meetings.

Formal meetings of the Association must be held at suitable places reasonably convenient to the Owners, as may be designated by the Board or President.

3.6 Notice of Meetings.

Written notice of each annual and special meeting, shall be provided to each Owner of record at least fourteen (14) but not more than fifty (50) days before the meeting. See the notice provisions in Article ARTICLE 16, below, for additional Notice requirements.

- 3.6.1. If the Association does not provide notice to Owners of a special meeting within thirty days after the requisite number or percentage of Owners requests the meeting, the requesting Members may directly provide notice to all Owners. Only matters described in the meeting notice may be considered at a special meeting.
- 3.6.2. If an annual or special meeting is adjourned to a different date, time or place, notice need not be given of the new date, time or place if the new date, time or place is announced at the meeting before adjournment unless a new record date is or must be fixed. If a new record date for the adjourned meeting is or must be fixed, however, notice of the adjourned meeting must be given to persons who are Members as of the new record date.

3.7 Waiver of Notice.

The minimum time to provide notice required for annual and special meetings may be reduced or waived for a meeting called to deal with an emergency. A member may waive notice required to be given under these Bylaws, the Articles of Incorporation or by applicable law, whether before or after the date and time stated therein. A valid waiver is created by any of the following three methods: (a) in writing signed by the member entitled to the notice and delivered to the Association for inclusion in its corporate records, (b) by attendance at the meeting, unless the member at the beginning of the meeting object to holding the meeting or transacting business at the meeting; or (c) by failure to object at the time of presentation of a matter not within the purpose or purposes described in the meeting notice.

3.8 Quorum.

Except as otherwise provided in these Bylaws, the presence in person or by proxy, or if a vote is taken, by absentee ballot, of Owners holding 50 percent or more of the outstanding votes in the Association, as defined in Section 2.2, will constitute a quorum.

3.9 Voting; Proxies.

Owners may cast votes in person, by written ballot, by absentee ballot, by electronic ballot if the Board so elects, or by proxy, in accordance with the procedures specified in RCW 64.90.455. Proxies must be filed with the Secretary of the Association ("Secretary") before or during the appointed meeting. A proxy will expire one year after the date it was signed unless a shorter period is specified in the proxy. A proxy will not be valid if it is undated or purports to be revocable without notice. No proxy appointment may be effectively revoked until written notice in writing of such revocation has been given to the Secretary by the member appointing the proxy. The Association may conduct a vote without a meeting upon providing adequate notice to the Owners, in accordance with RCW 64.90.455(6).

3.10 Participation by Virtual Appearance.

At the discretion of the Board or the President, Members and proxies may participate in a meeting of the Members by any means of telephone, video or other communication by which all persons participating in the meeting can hear each other during the meeting, and participation by such means shall constitute presence in person at the meeting.

3.11 Actions by Members Without a Meeting.

Any action which may or is required to be taken at a Meeting of the Members may be taken without a meeting if one or more written consents setting forth the action so taken shall be signed before the action taken, by all the Members entitled to vote with respect to the subject matter thereof. Action taken by written consent of the Members is effective when all consents are in possession of the Association, unless the consent specifies a later effective date. Whenever any notice is required to be given to any Member pursuant to applicable law, a waiver thereof in writing, signed by the person or persons entitled to notice, shall be deemed equivalent to the giving of notice.

3.12 Order of Business.

The order of business at all annual meetings will be:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of the preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of inspectors of election.
- (g) Election of Directors.
- (h) Unfinished business.
- (i) New business.
- (j) Adjournment.

3.13 Procedure.

All meetings of the Association, the Board, the ARC, and other Association committees will be conducted with such rules of order as may from time to time be adopted by the Board.

Notwithstanding which rules of order are adopted, the President will be entitled to vote on all matters, not merely to break a tie vote. A tie vote does not constitute a majority or approval of any motion or resolution.

3.14 Meeting Minutes.

The Association shall make available to each Owner of record for examination and copying minutes from the previous Association meeting not more than sixty (60) days after the meeting.

3.15 **Dispute Resolution.**

The laws of the State of Washington shall be used to interpret and enforce this Agreement, without regard to conflict of laws principles. To provide a mechanism for rapid and economical dispute resolution, all disputes, claims or causes of action, in law or equity, arising from or relating to these Bylaws, the Declaration, RCW chapter 64.90, or their enforcement, breach or interpretation- other than foreclosure proceedings - shall be resolved, to the fullest extent permitted by law, by final, binding and confidential arbitration in lieu of litigation. The arbitration shall be conducted by a single arbitrator, in accordance with the rules of the Arbitration Service of Portland, Inc. (or other mutually agreeable dispute resolution service), at a convenient location close to the Property. If the parties cannot agree on a single arbitrator, such arbitrator shall be appointed by a panel consisting of three (3) persons; each party shall appoint one arbitrator, and the third of whom has been appointed by the two so selected. Parties shall be entitled to conduct sufficient discovery to ascertain the facts and law at issue in the dispute. Resolution of the dispute shall be based solely upon the law governing the claims and defenses pleaded, and the arbitrator may not invoke any basis other than such controlling law. The arbitrator shall issue a written opinion setting forth the facts and law supporting any award. The decision of the arbitrator(s) shall be final and binding on the parties and may be entered as a judgment in any court of competent jurisdiction. The parties shall split the costs of the arbitrator during its pendency.

3.16 Attorneys' Fees.

If any legal action, arbitration, or other proceeding relating to these Bylaws or the Declaration or the enforcement of any provision within them, the prevailing party shall be entitled to recover reasonable attorneys' fees, costs and disbursements (in addition to any other relief to which the prevailing party may be entitled, including those incurred on appeal).

ARTICLE 4 - BOARD OF DIRECTORS

4.1 Number.

The Board will be composed of at least three (3) persons and if more board positions are added, the total shall be an odd number.

4.2 Qualifications.

All Board members must be an Owner or a co-owner of a Lot. If a Lot is owned by more than one owner, only one owner of that Lot may serve on the Board at any one time. A board member, officer or employee of a corporation, the trustee of a trust, the personal representative of an estate, or an employee of a trust or estate may serve on the Board if the corporation, trust, or estate owns a Lot. To determine the qualifications of any officer or board member, "Owner"

includes any board member, officer, member, partner, or trustee of any person who either alone or in conjunction with another person, is an Owner. If a person ceases to have an affiliation with the Owner entity that otherwise qualified the person to serve as a board member or officer, that person shall cease to be qualified to remain a board member or officer.

4.3 **Assumption of Duties.**

Board members and officers must take office upon adjournment of the meeting or other event at which they were elected or appointed and must serve until their successor takes office. Board members and officers must read RCW chapter 64.90 before casting their first vote.

4.4 Powers and Duties.

The Board has the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things that are not by law, by the Declaration, or by these Bylaws directed to be done by the Owners. In addition to duties imposed by these Bylaws or by resolutions of the Association, the Board has authority to carry out and be responsible for all powers and duties listed in RCW 64.90.405 and the following matters:

- 4.4.1. <u>Upkeep of Common Elements and Limited Common Elements</u>. Care, upkeep, and supervision of the Common Elements and Limited Common Elements.
- 4.4.2. <u>Reserve Accounts and Reserve Study</u>. Establishment and maintenance of replacement Reserve Accounts in the name of the Association that the Board deems prudent for replacement of Common Elements and Limited Common Elements improvements or facilities. The Board shall have discretion as to decisions relating to the preparation and updating of a reserve study in accordance with RCW 64.90.545 and Exhibit B.
- 4.4.3. <u>Assessment Collection</u>. Designation and collection of assessments from the Owners, in accordance with these Bylaws and the Declaration.
- 4.4.4. <u>Budget; Voucher System</u>. Establishment of a budget, payment of common expenses of the Association, and institution and maintenance of a voucher system for such payment, which must require a sufficient number of signatories thereon as may be reasonably necessary to prevent any misuse of Association funds, in accordance with these Bylaws and the Declaration. The Board must adopt a budget in accordance with RCW 64.90.525.
 - 4.4.4.1. Budget Elements. The budget must include: the projected income, by category; projected common expenses and specially allocated expenses that are subject to being budgeted, both by category; amount of assessments per Lot and the date assessments are due; current amount of regular assessments budgeted for contribution to the reserve account; a statement of whether the Association has reserve study that meets the requirements of the WUCIOA and, if so, the extent to which the budget meets or deviates from the recommendations of that reserve study; and the current deficiency or surplus in reserve funding expressed on a per Lot basis.
 - 4.4.4.2. Budget Ratification. Within thirty days after adoption of any proposed budget, the Board must provide a copy of the budget to all Owners and set a date for a ratification meeting, not less than fourteen nor more than fifty days after providing the proposed budget to the Owners. Unless a majority of the Owners reject the budget, the budget and assessments against Lots included in the budget are ratified, whether or not a quorum is present at the budget meeting. If

the proposed budget is rejected or the required notice is not given, the periodic budge last ratified by the Owners continues until the Owners ratify a subsequent budget proposed by the Board.

- 4.4.4.3. Special Assessments. At any time, the Board may propose a special assessment, which will be effective if the Board follows the Budget Ratification procedures and the Owners do not reject the special assessment. The Board may provide that the special assessment may be due and payable in installments over any period it determines and may provide a discount for early payment.
- 4.4.5. <u>Insurance</u>. Procurement and maintenance of insurance policies and payment of associated premiums out of the common expense funds in respect to the Common Elements and Limited Common Elements, as provided in Article ARTICLE 10 of these Bylaws.
- 4.4.6. <u>Personnel</u>. Designation and dismissal of the personnel necessary for the maintenance and operation of the Project.
- 4.4.7. <u>Financial Statements</u>. Causing the preparation and distribution to each of the Owners, annual financial statements of the Association in accordance with accrual-based accounting practices. In the event annual assessments of the Association are fifty thousand dollars (\$50,000) or more, the financial statements of the Association shall be audited at least annually by an independent certified public accountant. If the annual assessments are less than \$50,000, the requirement for an annual audit by an independent certified public accountant may be waived by a majority of the Owners other than the Declarant.
- 4.4.8. <u>Rules</u>. Adoption and amendment of administrative rules and regulations governing the details of operation and use of the Common Elements and Limited Common Elements and administration of the Association, including a fine schedule for violations of these Bylaws, the Declaration, or any rules or regulations promulgated thereunder. The Board shall notify each Owner of its intent to adopt, amend, or repeal a Rule or Regulation and provide a copy of each amendment, modification, or revocation with a proposed date upon which the Board will act on it after considering comments from Owners. Every rule must be reasonable.
- 4.4.9. Copies of Documents; Bank Accounts. Causing the Association to comply with RCW 64.90.475 relating to, maintenance of all records of the Association, including names and addresses of owners and other occupants of the Lots, financial and other records sufficiently detailed to enable the Association to fully declare to each Owner the true statement of its financial status, depositing all funds of the Association in the name of the Association with a qualified financial institution, depositing all assessments in a separate bank account in the name of the Association, ensuring funds of the Association are not commingled with funds of any other organization, Association, or other person; ensuring funds of the Association are not kept in a custodial or trust account; payment of all expenses of the Association from the Association's bank account, maintenance and distribution of financial statements, and maintenance of copies suitable for duplication of the following: the Declaration, the Articles of Incorporation, the Bylaws, the Association Rules and Regulations and any amendments thereto, the most recent annual financial statement, and the current operating budget of the Association.
- 4.4.10. <u>Tax Returns</u>. Causing the Association to file the necessary tax returns of the Association.
- 4.4.11. <u>Mailing Address</u>. Establishing and maintaining a current mailing address 4829-0236-0967, v. 1

for the Association.

- 4.4.12. <u>Professional Services and Contracts</u>. Employment of or contract with legal, accounting, and other personnel or consultants for reasonable compensation to perform such services as may be required for the proper administration or management of the Association and for preparing and filing the required income tax returns or forms. The Board may terminate contracts and leases without penalty after the Transition Meeting, as provided in RCW 64.90.430.
- 4.4.13. <u>Enforcement Actions and Litigation</u>. Institute, defend, or intervene in litigation or in arbitration, mediation, or administrative proceedings or any other legal proceeding in the Association's name on behalf of itself or two or more Owners on matters affecting the common interest community.
 - 4.4.13.1. The Board must promptly provide notice to the Owners of any legal proceeding in which the Association is a party, other than proceedings involving enforcement of rules or to recover unpaid assessments or other sums due the Association.
 - 4.4.13.2. The Board may determine whether to take enforcement action for a violation of the governing documents. Subject to the limitations specified in section 4.5 below, the Board may suspend any right or privilege of an Owner who fails to pay an assessment, impose and collect reasonable fines against an Owner or tenant/occupant for any violation, after giving notice and an opportunity to be heard, and if the Owner or tenant/occupant does not cure the violation within ten days after receiving notice of the violation. The Board does not have a duty to take enforcement action if it is not in the Association's best interests to do so. The Board's decision to not pursue enforcement action does not prevent the Board from taking enforcement action under another set of circumstances, but the Board may not be arbitrary or capricious in its enforcement decisions.
- 4.4.14. Other Actions. Act on such matters as may come up from time to time between meetings of the Association.

4.5 Limited Authority.

The Board may not take any of the following actions, except with the vote or written assent of the Owners as specified in the Declaration and RCW chapter 64.90:

- 4.5.1. <u>Organizational Actions</u>. Amend the Declaration, except as provided in the Declaration; amend the organizational documents of the Association; rescind the Declaration; extend development rights; amend the budget: terminate the common interest community; elect members of the board; or determine the qualifications, powers, duties or terms of office of board members.
- 4.5.2. <u>Third-Party Contracts</u>. Enter into a contract with a third party to manage or provide other services for the Common Elements, Limited Common Elements, or the Association for a term longer than three years with the following exceptions:
 - 4.5.2.1. Management contracts, service contracts, or employment contracts made by or on behalf of the Association, the Board or the Owners; however, if entered into before the Transition Meeting, such contracts may not exceed three years and may be terminated without penalty to the Declarant, the Association, or

the Board if the Board gives not less than 30 days' written notice of termination to the other party not later than 60 days after the Transition Meeting.

- 4.5.2.2. A prepaid casualty or liability insurance policy, or a casualty and liability insurance policy, the term of which does not exceed three years, as long as the policy permits short-rate cancellation by the insured.
- 4.5.3. <u>Capital Expenditures</u>. Incur aggregate expenditures for capital improvements (as opposed to maintenance, repair, and replacement costs) to the Common Elements and Limited Common Elements during any fiscal year in excess of five percent of the budgeted gross expenses of the Association for that fiscal year.
- 4.5.4. <u>Borrowing</u>. Borrow funds to be secured by an assignment of the Association's right to receive future income, without providing notice to all Owners. The notice must include the purpose and maximum amount of the loan, the estimated amount and term of any assessments required to repay the loan, a reasonably detailed projection off how the money will be spent, and the interest rate and term of the loan. The notice must set a date for a meeting of the Owners not less than fourteen and no more than sixty days after mailing o the notice, to consider ratification of the borrowing. At the meeting, whether or not a quorum is present, the Owners holding two-thirds of the votes in the Association may reject the proposal to borrow funds. Absent such a rejection, the Association may borrow the funds in substantial accordance with the terms contained in the notice.
- 4.5.5. Conveyance or Encumbrance of Common Elements. Convey or subject portions of the Common Elements or Limited Common Elements to a security interest by the Association as further described in RCW 64.90.465. Notwithstanding any provision to the contrary, such a conveyance or encumbrance shall be effective only if approved by Owners entitled to cast at least eighty (80) percent of the votes allocated to Lots not owned by the Declarant; and conveyance or encumbrance of Limited Common Elements must be approved by all Owners of the affected Limited Common Element.
- 4.5.6. <u>Compensating Board Members</u>. Pay compensation to members of the Board or officers of the Association for services performed in the conduct of the Association's business; however, the Board may cause a member or officer to be reimbursed for expenses incurred in carrying on the business of the Association.
- 4.5.7. <u>Suspending Owner's Rights</u>. The Board may not deny an Owner or other occupant access to the Owner's Lot; suspend an Owner's right to vote; or withhold services provided to a Lot or an Owner by the Association if the effect of doing so would endanger the health, safety, or property of any person.

4.6 Managing Agent.

The Board may employ a managing agent, to be compensated in an amount established by the Board, to perform such duties and services as the Board authorizes, including, but not limited to, the duties listed in section 4.4 of these Bylaws.

4.7 Master Association.

The Board may delegate any of its powers described in RCW 64.90.405 to a Master Association in accordance with RCW 64.90.300.

4.8 Interim Board and Officers.

Declarant hereby reserves administrative control of the Association until the Transition Meeting. Declarant, in its sole discretion, may appoint and remove members of the Board and officers of the Association whose terms of service will end on or before the date of the Transition Meeting. However, at the Transition Meeting, at least one Director must be elected by Owners other than Declarant, even if Declarant otherwise has voting power to elect all Directors.

4.9 Post-Transition Meeting Board Election and Term of Office.

At the Transition Meeting, the term of office of two Directors will be fixed for two years and one Director's term will be fixed at one year. Should the number of Directors serving on the Board be increased, the same sequential election terms will apply as nearly as is practicable. Upon expiration of the initial term of office of each respective Director, the Director's successor will be elected to serve a term of two years. The Directors will hold office until their successors have been elected and hold their first meeting. At the Transition Meeting, upon agreement by vote of the Owners, the Owners may elect Directors by using a ballot that permits each Owner to vote for three nominees. In that event, the two nominees receiving the highest number of votes will be the two-year Directors and the one nominee receiving the next highest number of votes thereafter, will be the one-year Director. In the event of a tie, the Owners may cast tie-breaking votes for the affected Director positions.

4.10 Vacancies.

Vacancies on the Board caused by any reason other than the removal of a Director by a vote of the Association will be filled for the balance of the term of each directorship by vote of a majority of the remaining Directors, even though they may constitute less than a quorum. Each person so elected will be a Director until a successor is elected upon expiration of the term for which the person was elected to serve by the other Directors term or, if earlier, until the next regularly scheduled election of board members.

4.11 Removal of Directors.

At any annual or special meeting (not including actions proposed to be taken by written ballot without a meeting), any one or more of the Directors may be removed with or without cause, by the lesser of a) a majority vote of the total voting power of the Owners entitled to vote for election of the Director proposed to be removed or b) two-thirds of the votes cast by such Owners at the meeting, and a successor may be then and there elected to fill the vacancy thus created; however, the notice of meeting must specifically indicate that the removal of one or more named Directors is an agenda item for the meeting. Any Director whose removal has been proposed by the Owners must be given an opportunity to be heard at the meeting before the vote.

- 4.11.1. The Board may, without an Owner vote, remove a director elected by the Owners if a) the Director is delinquent in the payment of assessments more than sixty days and b) the Director has not cured the delinquency within thirty days after receiving notice of the Board's intent to remove him/her from office.
- 4.11.2. A Director appointed by the Declarant may not be removed by Owner vote during any period of Declarant control.

4.12 Board Meetings.

- 4.12.1. <u>Organizational Meetings</u>. The first meeting of a newly elected Board must be held within 10 days of election at a place fixed by the Directors at the Association meeting at which the Directors were elected.
- 4.12.2. <u>Regular Meetings</u>. Regular meetings of the Board may be held at such time and place as determined, from time to time, by a majority of the Directors. Regular meetings of the Board may be called by the President.
- 4.12.3. <u>Special Meetings</u>. Special meetings of the Board may be called by the President or Secretary or on the written request of at least two Directors.
- 4.12.4. Emergency Meetings. In the event of an emergency, Board meetings may be conducted by telephone or any communication that allows all Board members participating to hear each other simultaneously. No notice to either Directors or Association members will be required for such meetings of the Board to be held for any emergency action. However, no such meeting may occur unless at least 75 percent (75%) of the Directors participate in the meeting and after an attempt has been made to reach each Director.
- 4.12.5. Executive Session. At the discretion of the Board, the following matters may be considered in executive sessions: (a) consultation with legal counsel or consider communications with legal counsel concerning rights and duties of the Association regarding existing or potential litigation or criminal matters; (b) matters involving possible violations of the governing documents of the Association; (c) matters involving the possible liability of an Owner of the Association; (d) personnel matters, including salary negotiations and employee discipline; (e) negotiations of contracts with third parties; (f) collection of assessments; and (e) any other matters permitted by the WUCIOA.
 - 4.12.5.1. Except in the case of an emergency, the Board must vote in an open meeting whether to meet in executive session. If the Board votes to meet in executive session, the presiding officer of the Board must state the general nature of the action to be considered, as precisely as possible, and when and under what circumstances the deliberations can be disclosed to Owners. The statement, motion, or decision to meet in executive session must be included in the minutes of the meeting.
 - 4.12.5.2. A contract or an action considered in executive session does not become effective unless the Board, following the executive session, reconvenes in open meeting and votes on the contract or action, which must be reasonably identified in the open meeting and included in the minutes.
- 4.12.6. Notice of Board Meetings. Unless the meeting is included in a schedule given to the Owners or the meeting is called to deal with an emergency, the Secretary or other officer specified in the organizational documents, must provide notice of each Board meeting to each Board member and to the Owners. For other than emergency meetings, notice must be given to each Owner and Board Member at least fourteen (14) days before the meeting and the notice must state the time, place, and agenda for the meeting.

- 4.12.7. Waiver of Notice to Directors. Before, at, or after any Board meeting, any Director may, in writing, waive notice of the meeting, and the waiver will be deemed equivalent to the giving of the notice. Attendance by a Director at any meeting of the Board will be a waiver of notice by the Director of the time and place thereof, except where a director attends a meeting for the express purpose of objecting to the transaction for any business because the meeting is not lawfully called or convened. If all the Directors are present at any meeting of the Board, no notice to Directors will be required, and any business may be transacted at the meeting.
- 4.12.8. Board of Directors' Quorum. At all meetings of the Board, a majority of the existing Directors will constitute a quorum for the transaction of business, and the acts of the majority of the Directors will be the acts of the Board. Presence, for purposes of establishing a quorum is determined by calculating the number of Directors appearing in person or by proxy at the beginning of the meeting at a formal gathering or, if a vote is taken by, written ballots, or ballots by mail or electronic transmissions, when ballots are returned representing the number of votes required to approve the proposal. If quorum requirements are not met at any meeting of the Board, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.
- 4.12.9. <u>Board Meetings Open to All Association Members</u>. Except for executive sessions, all meetings of the Board will be open to all Members of the Association; however, no Association Member will have a right to participate in the Board's meetings unless the Member is also a member of the Board. At each Board meeting, the Board must provide a reasonable opportunity for Owners to comment regarding matters of common interest and the Association. The Board will have authority to exclude any Association Member who, after warning by the chair of the meeting, disrupts the proceedings at a meeting of the Board.
- 4.12.10. <u>Virtual Appearance</u>. At the discretion of the Board or the President, the Board may meet by telephone, video, or other conferencing process if the meeting notice states as much and provides information explaining how Owners may participate, and Owners who participate in the meeting can hear or perceive the discussion and to comment.
- 4.12.11. <u>Unanimous Consent</u>. Instead of meeting, the Board may act by unanimous consent as documented in a record by all its members. After the Transition Meeting, the Board may act by unanimous consent only to undertake ministerial actions, actions subject to ratification by the Owners, or to implement actions previously taken at a meeting of the Board.

4.13 Committees.

The Board may establish committee(s) for any purpose and, except for any committee established pursuant to the special declarant rights, only the Board may establish a committee. Committees authorized to exercise any power reserved to the Board must include at least two board members who have exclusive voting power for that committee. Committees that are not so empowered are advisory only. Committees empowered to act on behalf of the Board shall follow the same attendance, notice, voting, and participation procedures as those outlined for Board meetings, above.

4.14 Compensation of Directors.

No Director may be compensated in any manner, except for out-of-pocket expenses.

4.15 Validity.

Actions taken by the Board that do not comply with the procedures outlined above are valid unless set aside by a court. A challenge to the validity of an action of the Board for failure to comply with these procedures may not be brought more than ninety days after the minutes of the Board of the meeting at which the action was taken are approved or the record of that action is distributed to the Owners, whichever is later.

ARTICLE 5 - FUNDS AND ASSESSMENTS

5.1 Determination of Fiscal Year; Income Tax Returns.

The fiscal year of the Association will be the calendar year unless otherwise determined by the Board. The Board, in its sole discretion, will determine the manner in which all necessary income tax returns are filed and of selecting all persons to prepare the tax returns.

5.2 **Budgeting.**

Each year the Board will prepare, approve, and make available to each Member a pro forma operating statement (budget) containing (a) estimated revenue and expenses on an accrual basis; (b) the amount of the total cash reserves of the Association currently available for replacement or major repair of the Common Elements and Limited Common Elements and for contingencies; (c) an itemized estimate for the remaining life of improvements, and the methods of funding to defray repair, replacement, or additions to major components of improvements; (d) a general statement setting forth the procedures used by the Board in the calculation and establishment of reserves to defray the costs of repair, replacement, or additions to major components of the Common Elements and Limited Common Elements and (e) any other information required by RCW chapter 64.90. Notwithstanding that budgeting will be done on an accrual basis, the Association's books will be kept on a cash basis and the Association will be a cash basis taxpayer, unless applicable governmental regulations require otherwise. For the first fiscal year, the budget must be approved by the Board no later than the date on which annual assessments are scheduled to commence. Thereafter, the Board must annually prepare and approve the budget and distribute a copy or summary thereof to each Member, together with written notice of the amount of the annual assessments to be levied against each Owner's Lot. within 30 days after adoption of the budget.

5.3 Purpose of Assessments; Expenses.

The assessments levied by the Association will be used exclusively to promote the recreation, health, safety, aesthetics, and welfare of the Owners and Occupants of Quail Reserve, for the improvement, operation, and maintenance of the Common Elements and Limited Common Elements, for the administration and operation of the Association, and for property and liability insurance.

- 5.3.1. Covenants to Pay. Declarant and each Owner covenant and agree to pay the Association the assessments and any additional charges levied under the Declaration or the Bylaws. All assessments for operating expenses, repairs and replacement, and reserves will be allocated among the Lots and their Owners as set forth in Section 5.5.1.
- 5.3.2. <u>Funds Held in Trust</u>. The assessments collected by the Association will be held by the Association for and on behalf of each Owner and may be used solely as set forth in the Declaration and these Bylaws. Upon the sale or transfer of any Lot, the Owner's interest in 4829-0236-0967, v. 1

such funds will be deemed automatically transferred to the successor in interest to the Owner.

- 5.3.3. Offsets. No offsets against any assessment will be permitted for any reason, including, without limitation, any claim that the Association is not properly discharging its duties.
- 5.3.4. <u>Right to Profits</u>. Association profits, if any, will be the property of the Association and will be contributed to the Current Operating Account.

5.4 Basis of Assessment; Commencement of Assessments.

Declarant must pay all common expenses of the Association until the Lots are assessed for common expenses. Declarant is responsible for all expenses in connection with real estate subject to development rights. Expenses associated with the operation, maintenance, repair, and replacement of a Common Element that Owners have a right to use must be paid by the Association as a common expense. The amount and date of commencement of the initial annual assessment, including the assessment of reserves, if any, will be determined by Declarant. Once annual assessments begin, all Lots must be assessed their respective portion of the assessments, regardless of their ownership. Declarant may delay commencement of assessments for Lots that may be added pursuant to reserve development rights until those Lots are, in fact, added. Declarant may not defer payment of accrued reserves beyond the date of the Transition Meeting described in ArticleARTICLE 3.

5.5 Annual Assessments.

Annual assessments for each fiscal year will be established when the Board approves the budget for that fiscal year. The initial annual assessment will be determined by Declarant and will be prorated on a monthly basis at the time of the closing of the first sale from Declarant. Assessments for partial months shall be prorated. Annual assessments will be payable on a periodic basis, not more frequently than monthly, as determined by the Board. The fiscal year will be the calendar year unless another year is adopted by vote of the Association members.

- 5.5.1. Allocation of Assessments. Except for Limited Common Element expenses, the total amount in the budget will be charged against all Lots in an amount equal to the Lot's fractional interest in the Association as an annual assessment. Limited Common Element expenses shall be charged against all Lots that benefit from the Limited Common Element, in an amount equal to the Lot's fractional interest in the Limited Common Element. The Board may adjust common expense liability for the costs of insurance in proportion to risk and the costs of common element utilities in proportion to Owners' respective usage of those utilities as those common expenses are incurred and such risk and usage imbalances are identified.
- 5.5.2. <u>Nonwaiver of Assessments</u>. If, before the expiration of any fiscal year, the Association fails to fix annual assessments for the next fiscal year, the annual assessments established for the preceding year will continue until a new annual assessment is fixed.

5.6 Special Assessments.

The Board or the Owners have the power to levy special assessments against an Owner or all Owners in the following manner for the following purposes:

5.6.1. <u>Correct Deficit</u>. To correct a deficit in the operating budget, by vote of a majority of the Board;

- 5.6.2. Special Obligations of an Owner. To collect amounts due to the Association from an Owner for breach of the Owner's obligations under this Declaration, the Bylaws, or the Rules and Regulations, by vote of a majority of the Board;
- 5.6.3. <u>Repairs</u>. To collect additional amounts necessary to make repairs or renovations to the Common Elements or Limited Common Elements if sufficient funds are not available from the operating budget or replacement reserve accounts, by vote of a majority of the Board; or
- 5.6.4. <u>Capital Improvements</u>. To make capital acquisitions, additions, or improvements, by vote of at least 80 percent of all votes allocated to the Lots.
- 5.6.5. <u>Negligence Assessments</u>. Any expense of the Association that is caused by the negligence of any Owner or Owner's tenant, guest, invitee, or occupant, the Association may assess that expense against the Owner's Lot after notice and an opportunity to be heard. Negligence assessments are limited to the extent of the Association's deductible and any expenses not covered by the Association's insurance policies.
- 5.6.6. Reimbursement Assessments. The Association may levy an assessment against any Owner and the Owner's Lot if a failure to comply with this Declaration, Bylaws, Architectural Standards, or any Rules and Regulations has (a) necessitated an expenditure of monies by the Association to effect compliance or (b) resulted in the imposition of a fine or penalty against the Owner or the Owner's Lot (a "Reimbursement Assessment"). A Reimbursement Assessment is due and payable to the Association when levied. A Reimbursement Assessment may not be levied by the Association except on at least 10 days' written notice to the Owner being assessed. If, within the 10-day period, the Owner makes a written request to the Board for a hearing, a hearing must be held. Upon request for a hearing, the Board must conduct it not less than 10 nor more than 30 days after the request by the Owner and must make its decision within not more than 30 days after the hearing is held. If a notice has been previously given, and the hearing has already been held or waived (in writing or by the Owner's failure to appear) for the violation resulting in the Reimbursement Assessment, no additional notice and hearing is required before levying the Reimbursement Assessment.

5.7 Statement of Assessments.

The Association must provide, within 10 business days of receipt of a written request from an Owner, a written statement that provides:

- 5.7.1. The amount of assessments due from the Owner and unpaid at the time the request was received, including (a) regular and special assessments, (b) fines and other charges, (c) accrued interest, and (d) late payment charges.
- 5.7.2. The percentage rate at which interest accrues on assessments that are not paid when due.
- 5.7.3. The percentage rate used to calculate the charges for late payment or the amount of a fixed charge for late payment.
- 5.7.4. The Association is not required to comply with this section if the Association has commenced litigation by filing a complaint against the Owner and the litigation is pending when the statement would otherwise be due.
 - 5.8 Temporary Reduction of Assessment Amount.

If the Association expenses are temporarily less than projected by Declarant because some or most of the Lots are not yet sold or occupied, Declarant will have the authority to reduce temporarily the amount of the assessment to reflect the lower expenses of the project.

5.9 Accounts.

- 5.9.1. Types of Accounts. Assessments collected by the Association will be deposited into at least two separate accounts with a bank, which accounts will be clearly designated as (a) the Current Operating Account and (b) if applicable, the Reserve Account. The Board must deposit those portions of the assessments collected for current maintenance and operation into the Current Operating Account and must deposit those portions of the assessments collected as reserves for replacement and deferred maintenance of capital improvements into any Reserve Account. In its books and records, the Association must account separately for operating expenses relating to the Common Elements and Limited Common Elements as well as for necessary reserves relating to the Common Elements and Limited Common Elements and necessary reserves relating to all other matters.
- 5.9.2. Reserve Account. Unless Declarant or the Board determines that (a) the cost of a reserve study will exceed ten percent (10%) of the Association's annual budget, or (b) the Association has only "nominal reserve costs" (as defined in RCW 64.90.010(34) as now or hereafter amended), a Reserve Account shall be established and administered in accordance with the requirements of RCW 64.90.535 et. seq. and as more fully described in Exhibit B attached hereto and by this reference incorporated herein.

5.10 Default in Payment of Assessments; Enforcement of Association Liens.

- 5.10.1. <u>Personal Obligation</u>. Any assessment properly imposed under the Declaration or Bylaws is the joint and several personal obligation of all Owners of the Lot to which the assessment pertains. In a voluntary conveyance (i.e., other than through foreclosure or a deed in lieu of foreclosure), the grantees will be jointly and severally liable with the grantors for all Association assessments imposed through the recording date of the instrument effecting the conveyance. A suit for a money judgment may be initiated by the Association to recover the assessments without either waiving or foreclosing the Association's lien,
- 5.10.2. Association Lien. The Association has a lien against each Lot for any assessment (of any type provided for by this Declaration or the Bylaws) or installment thereof against the Lot from the time such assessment is due. The lien will accumulate all future assessments or installments, interest, late fees, penalties, fines, attorney fees (whether or not suit or action is instituted), actual administrative costs, and other appropriate costs properly chargeable to an Owner by the Association, until such amounts are fully paid. Recording of the Declaration constitutes record notice and perfection of the lien. Notwithstanding the Dispute Resolution provisions in section 3.15, the lien may be foreclosed at any time judicially, in accordance with RCW chapter 61.12, or nonjudicially, in accordance with RCW chapter 61.24. The lien of the Association will be superior to all other liens and encumbrances, including liens for assessments by another association, except real estate taxes and state or local government assessments; any lien or encumbrance recorded before the recordation of the Declaration; and any lien or encumbrance on the Lot recorded before the date on which the Association's assessment became due ("Post-Declaration Lien"). However, the Association's lien is superior to Post-Declaration Liens in an amount sufficient to cover common expense assessments, excluding capital improvement amounts, based on the periodic budget adopted in accordance

with RCW 64.90.480(1), any special assessments against the Lot in the absences of acceleration; the Associations actual cost and reasonable attorneys' fees not to exceed to amount of the Association's superior lien or \$2,000.00, whichever is less; and only if the Association gave the Post-Declaration Lien holder not less than sixty days' prior written notice that the Owner of the Lot was in default. If the Association forecloses its lien nonjudicially, the Association is not entitled to a lien priority over Post-Declaration Liens and is subject to the limitations on deficiency judgments specified in RCW chapter 61.24. If another association has a lien for assessments against any Lot, the Association's lien shall have priority.

- 5.10.3. Interest, Fines, Late Fees, and Penalties. The Board, in its reasonable discretion, may from time to time adopt resolutions to impose late fees, fines, and penalties on delinquent assessments and to set the rate of interest, not to exceed the maximum rate calculated under RCW 19.52.020, and for violations of the provisions of this Declaration, the Bylaws, Architectural Standards, and the Rules and Regulations adopted by the Board or the ARC. The adoption of such impositions must be communicated to all Owners in writing not less than 30 days before the effective date by a notice mailed to the assessment billing address of each Owner. The impositions will be considered assessments that are lienable and collectible in the same manner as any other assessments; however, fines or penalties for violation of this Declaration, the Bylaws, or the Rules and Regulations, other than late fees, fines, or interest arising from an Owner's failure to pay regular, special, or reimbursement assessments may not be imposed against an Owner or the Owner's Lot until the Owner is given an opportunity for a hearing as provided elsewhere herein.
- 5.10.4. <u>Acceleration of Assessments</u>. If an Owner is delinquent in payment of any assessment or installment on any assessment, the Association, on not less than 10 days' written notice to the Owner, may accelerate the due date of the full annual assessment for that fiscal year and all future installments of any special assessments.

5.11 Other Liens.

A judgment for money against the Association perfected under RCW 4.64.020 is not a lien on the Common Elements but is a lien against all other real estate of the Association and all the Lots at the time the judgment was entered. Other property of an Owner is not subject to the claims of creditors of the Association.

- 5.11.1. If the Association grants a security interest in the Common Elements to a creditor, the holder of that security interest must exercise its right against the Common Elements before its judgment lien on any Lot may be enforced.
- 5.11.2. A judgment against the Association must be recorded in the name of the Property and the Association and, when so indexed, is notice of the lien against the Lots.

ARTICLE 6 - ARCHITECTURAL REVIEW COMMITTEE

6.1 Architectural Review.

The ARC, from time to time and in its sole discretion, may adopt architectural, aesthetic, construction, and design rules, regulations, and guidelines ("Architectural Standards"), including placement of buildings, color schemes, exterior finishes and materials, and similar features that may be used in Quail Reserve. the Architectural Standards will not be in derogation of the minimum standards and requirements established in Articles 4, 5, 6, and elsewhere in the

Declaration. The procedure(s) and specific requirements for review and approval of proposed work and procedures for enforcement of the Architectural Standards will be set forth by the ARC. The provisions of this Article 6 apply in all instances in which the Declaration requires the ARC's consent.

6.2 Approval Required First.

No improvement may be commenced, erected, placed, or materially altered on any Lot until the construction plans and specifications showing the nature, shape, heights, materials, colors, and proposed location of the improvement have been submitted to and approved in writing by the ARC.

6.3 Appointment and Removal.

The ARC will consist of no fewer than three members and no more than five members, and at least two members shall be Board members, with exclusive voting power for the Board. Each ARC member will serve for one year. Declarant reserves the right to appoint all members of the ARC and all replacements thereto until Quail Reserve is one hundred percent (100%) built out. After build-out, Declarant will assign to the Board the right to appoint and remove members of the ARC. Board members and persons who are not Owners but who have special expertise regarding the matters that come before the ARC may serve as all or some of the ARC's members. The Board may appoint itself as the ARC or may appoint any of its members to the ARC. If an ARC has not been appointed, the Board will serve as the ARC.

6.4 Majority Action.

Except as otherwise provided in the Declaration, a majority of the members of the ARC have the power to act on behalf of the ARC, without the necessity of a meeting and without consulting the remaining member or members of the ARC. The ARC may render its decision only by written instrument setting forth the action taken by the members consenting thereto.

6.5 Duties.

The ARC must consider and act on the proposals, plans, or proposals and plans submitted under this Article 6. The ARC will interpret and implement the provisions of the Declaration and the Architectural Standards for architectural review and guidelines for architectural design. The ARC's purpose is to ensure quality of workmanship and materials and harmony between exterior design and the existing improvements and landscaping and between location and topography and finished-grade elevations. The ARC is not responsible for determining compliance with structural and building codes, solar ordinances, zoning codes, or other governmental regulations, all of which are the applicant's responsibility.

6.6 Decision.

The ARC must render its written decision approving or denying each application submitted to it within 15 business days (not including Saturdays, Sundays, and legal holidays) after its receipt of all materials required with respect to the application. If the ARC fails to render its written decision within 30 days of its receipt of all required materials or request an extension, the application will be deemed approved. The ARC is entitled to request one or more extensions of time, not to exceed 45 days in the aggregate. In the event of any extension requests, if the ARC does not render a written decision within 15 days after the expiration of the extension(s), the application will be deemed approved. However, the applicant may agree to further extensions to allow the applicant to complete or supplement the application.

6.7 **Discretion.**

The ARC, in its sole discretion, may withhold consent to any proposed work if the ARC finds that the proposed work would be inappropriate for the particular Lot or incompatible with the design standards that the ARC intends for the Property. The ARC may consider siting, shape, size, color, design, height, solar access, or other effects on the enjoyment of other Lots, the Limited Common Elements, or the Common Elements, and any other factors that it reasonably believes to be relevant in determining whether to consent to any proposed work.

6.8 Nonwaiver.

Consent by the ARC to any matter proposed to it or within its jurisdiction will not constitute precedent or waiver impairing its right to withhold approval of any similar matter thereafter proposed or submitted to it for consent.

6.9 Appeal.

After Declarant has assigned the right to appoint ARC members to the Board under Section 6.3, any Owner adversely impacted by ARC action may appeal the action to the Board. The appealing Owner must submit to the Board a written notice of appeal, setting forth specific objections or mitigating circumstances justifying the appeal, within 10 days after the ARC's action. The Board must issue a final, conclusive decision within 45 days after receipt of the notice, and the decision will be final and binding on the appealing Owner and the ARC. However, the Board must make reasonable efforts to reach a decision within 20 days. If the Board is serving as the ARC, then the appeal will be deemed a request for reconsideration.

6.10 Effective Period of Consent.

The ARC's consent to any proposed work will automatically expire 90 days after issuance unless construction of the project has been commenced or the Owner has applied for and received an extension of time from the ARC.

6.11 **Determination of Compliance.**

The ARC may inspect, from time to time, all work performed and determine whether it is in substantial compliance with the approval granted. If the ARC finds that the work was not performed in substantial compliance with the approval granted, or if the ARC finds that the approval required was not obtained, the ARC must notify the Owner in writing of the noncompliance. The notice must specify the particulars of noncompliance and must require the Owner to remedy the noncompliance.

6.12 Noncompliance.

If the ARC determines that an Owner has not constructed an improvement consistent with the specifications of an ARC approval or has constructed an improvement without obtaining ARC approval, sends a notice of noncompliance to the Owner, and the Owner fails to commence diligently remedying the noncompliance in accordance with the notice, then, effective at 5:00 p.m. on the third day after issuance of the notice, the ARC must provide notice of a hearing to consider the Owner's continuing noncompliance. The hearing must be set not more than 30 days from the date on which the notice of noncompliance was issued. At the hearing, if the ARC finds that there is no valid reason for the continuing noncompliance, the ARC must determine the estimated costs of achieving compliance and may issue a fine against the noncomplying Owner for that amount. The ARC must require the Owner to remedy the noncompliance within 10 days

after the ARC's determination. If the Owner does not comply with the ARC's ruling within the 10-day period or any extension thereof granted by the ARC, at its sole discretion, the ARC may remove the noncomplying improvement, remedy the noncompliance, record a notice of noncompliance in the county deed records, or take any combination of those actions. The costs of any such action will be assessed against the Owner as a Reimbursement Assessment either before or after any remedial action is taken.

6.13 Liability.

Neither the ARC nor any member thereof will be liable to any Owner, Occupant, or builder for any damage, loss, or prejudice suffered or claimed because of any action or failure to act of the ARC or a member thereof, if the ARC or the member has, in accordance with its or his or her actual knowledge, acted in good faith.

6.14 Estoppel Certificate.

Within 15 working days after the ARC's receipt of a written request from an Owner and the ARC's receipt of payment of a reasonable fee fixed by the ARC to cover costs, the ARC must provide the Owner with a certificate executed by the chairperson or other authorized member of the ARC certifying with respect to any Lot owned by the Owner that, as of the date thereof either (a) all improvements made or done on the Lot comply with the Declaration, Bylaws, and Architectural Standards, or (b) the improvements do not so comply, in which event, the certificate must also identify the noncomplying improvements and set forth with particularity the nature of the noncompliance. The Owner and the Owner's heirs, devisees, successors, and assigns will be entitled to rely on the certificate with respect to the matters set forth therein. The certificate will be conclusive as among Declarant, the ARC, the Association, all Owners, and all persons deriving any interest through any of them.

6.15 Declarant and Successor Exempt from ARC.

The Declarant and its successor to all the unsold Lots are exempt from the requirement to submit to and have plans approved by the ARC. The Declarant and its successor, however, are not exempt from the provisions of Article 4 of the Declaration, except as set forth in Section 4.10 of the Declaration.

ARTICLE 7 - OFFICERS

7.1 **Designation.**

The principal officers of the Association will be a President, a Secretary, and a Treasurer, all of whom must be elected by the Directors. The Directors may appoint an assistant treasurer and an assistant secretary, and any other officers as in their judgment may be necessary.

7.2 Election of Officers.

The officers of the Association may be elected by the Board at the organizational meeting of each new Board or any Board meeting thereafter and will hold office at the pleasure of the Board.

7.3 Removal of Officers.

Upon an affirmative vote of a majority of the Board, any officer may be removed, either with or without cause, and the officer's successor may be elected at any regular or special meeting of the Board.

7.4 President.

The President is the chief executive officer of the Association and will preside at all meetings of the Association and of the Board. The President has all the general powers and duties that are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the Owners from time to time as the President may, in the President's discretion, decide is appropriate to assist in the conduct of the affairs of the Association.

7.5 Secretary.

The Secretary must keep the minutes of all meetings of the Board and of all meetings of the Association and will have charge of such books and papers as the Board may direct. The Secretary will, in general, perform all the duties incident of the office of secretary.

7.6 Treasurer.

The Treasurer has responsibility for Association funds and securities not otherwise held by the managing agent and is responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer is responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board.

7.7 Directors as Officers.

Only a Director of the Association may be appointed an Officer of the Association.

ARTICLE 8 - OBLIGATIONS OF THE OWNERS

8.1 Assessments.

All Owners must pay assessments imposed by the Association to meet all the Association's general common expenses, as more particularly set forth in the Declaration. Assessments will be payable on a periodic basis, not more frequently than monthly, as determined by the Board. Declarant (before turnover) and the Board (after turnover) may, but will not be required to, impose interest or a service charge for late installment payments or allow a discount for payment of the annual assessment or any installment in advance.

8.2 Initial Assessment.

The amount of the initial assessment due from Lot owners will be determined by Declarant. The amount of the annual assessment thereafter will be subject to review and modification by the Board.

8.3 Contribution to Working Capital.

At closing of the sale of each Lot, or the first occupancy of a lot (whichever occurs first), each purchaser must contribute to the Association a sum equal to one-sixth of the annual assessments, with respect to the Lot being purchased, as a one-time contribution to the working capital of the Association. Within 60 days after the first conveyance by Declarant of the first Lot 4829-0236-0967, v. 1

in Quail Reserve Subdivision, Declarant must make such contribution with respect to all Lots that have not yet been conveyed to a purchaser. If Declarant has made the contribution, no further contribution will be required to the Association, but each purchaser must reimburse Declarant at closing for the amount of the contribution made by Declarant with respect to the Lot conveyed to the purchaser. If the amount of the assessments is reduced under the authority granted to Declarant herein, the initial deposit to the Association budget, equal to one-sixth of the annual assessment, will be based on the projected amount of the annual assessments after substantial or full occupancy of the Lots rather than on the reduced amount. The working capital contribution shall be allocated to the general operating reserve or other account, as determined by the Board. The working capital contribution is in addition to regular assessments and may not be used as a prepayment of assessments by any Owner and may not be used to defray any of Declarant's expenses, reserve contributions, or construction costs, or to make up any budget deficits while Declarant is in control of the Association. All working capital contributions must be disbursed to the Association at or before the Transition Meeting and must be credited to the operating reserve account.

8.4 Procedures for Subsidies.

- 8.4.1. If Declarant or any other person pays all the operating expenses of the Association or subsidizes the expenses, the assessment will be reduced by that amount, but will not be reduced below the total amount of the replacement reserve items.
- 8.4.2. With respect to Lots not yet conveyed by Declarant, Declarant may accrue the replacement reserve items. At the time of conveyance of the Lot for which the replacement reserve has been accrued, the accrued reserves must be paid to the Association.
- 8.4.3. Declarant must give 10 days' written notice to Owners before their obligation to pay the full assessment begins. Thereafter, each owner, including Declarant or the other person, must pay the assessments to the Association. In the event the Declarant has collected initial assessments from Lot purchasers at closing and thereafter elects to pay or subsidize the operating expenses, thereby causing the amount of the assessment to be reduced, the one-time initial contribution collected from Lot purchasers must be held by Declarant in a separate Association account. On the date on which Lot owners are required to pay full assessments, the aggregate sums held in the separate account must be deposited in the Association's general account to be used as working capital.

8.5 **Default.**

Failure by an Owner to pay any assessment of the Association is a default by the Owner of the Owner's obligations under these Bylaws and the Declaration. The Association will be entitled to the remedies set forth in the Declaration, these Bylaws, and at law.

8.6 Maintenance and Repair.

8.6.1. **Lots.** Except as otherwise specifically provided in the Declaration and these Bylaws, every Owner must promptly perform all maintenance, repair, and replacement work to the Owner's Lot and the exterior of the improvements thereon (which do not constitute Common Elements and Limited Common Elements) and keep the same in good repair and sanitary and neat condition. Upon prior notice, except in case of an emergency, each Owner must afford the Association and its agents or employees, access through that Owner's Lot and Limited Common Elements reasonably necessary to ensure the Lot is properly maintained and repaired, including necessary inspections by the Association. If damage is inflicted on the 4829-0236-0967, v. 1

Common Elements or on any Lot through which access is taken, the Owner or the Association responsible for the damage is liable for the prompt repair of the damage.

- 8.6.2. Common Elements and Limited Common Elements. The Association must ensure the Common Elements and Limited Common Elements are properly repaired and maintained, subject to the provisions of subsection 8.6.3.
- 8.6.3. Reimbursement of Association. An Owner must reimburse the Association for any expenditures incurred in repairing or replacing any portion of the Common Elements and Limited Common Elements that was damaged through the Owner's fault and that is not otherwise covered by insurance policies carried by the Owner or the Association for the Owner's and the Association's benefit. In such circumstances, the insurance obtained by the Owner will be deemed to be the primary coverage. The Board will have the unfettered discretion to refuse to make a claim on the Association's policy even though coverage may pertain. The discretion is for the purpose of maintaining the Association's insurability and controlling the amount of the premiums for the Association's insurance. Owners benefited by the Limited Common Elements are responsible for maintaining the Limited Common Elements and, subject to the insurance provisions provided in this Section 8.6.3, must reimburse the Association for any Association expenses incurred in properly repairing or maintaining the Limited Common Elements. The charges described in this Section 8.6.3 will be collectible as a Reimbursement Assessment as provided in the Declaration.

ARTICLE 9 - USE AND OCCUPANCY RESTRICTIONS; RULES OF CONDUCT

9.1 Additional Rules.

In addition to the rules set forth in the Declaration, the Board may promulgate and amend Rules and Regulations concerning use of the Property and must furnish copies of the Rules and Regulations, upon request, to any Owner or Occupant.

9.2 Enforcement.

The Association, through its Board, has the power to enforce the covenants and restrictions in these Bylaws and in the Declaration. Owners have the right to bring actions or suits regarding covenants and restrictions, but Owners have no right or power to require the Association or Board to take any enforcement action.

9.3 Fines.

The Board may, after giving written notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association, as long as fines levied are based on a schedule previously adopted by Board resolution that is mailed to the mailing address of each Lot or mailed to the mailing address designated in writing by the Owner(s).

ARTICLE 10 - INSURANCE

10.1 General.

The Board must obtain and, at all times maintain, insurance of the type and kind and in the amounts hereinafter provided and additional insurance for such other risks of a similar or 4829-0236-0967, v. 1

dissimilar nature as are now or as will be hereafter customarily covered by insurance obtained by other planned communities similar in construction and design. The Association may carry any other insurance it considers appropriate to protect the Association or the Owners.

10.2 Types of Insurance Policies Maintained by the Association.

For the benefit of the Association and the Owners, the Board must obtain and maintain at all times, and pay for out of the common expense funds, the following insurance, subject to a reasonable deductible, to the extent that it is available at reasonable cost:

- 10.2.1. Property Insurance. A policy or policies of property insurance, including, but not limited to, fire, extended coverage, vandalism, and malicious mischief, and all other risks of direct physical loss commonly insured against, for the full insurable replacement value of all substantial improvements on the Common Elements and Limited Common Elements to the extent such insurance is available and, if available at a reasonable cost, building-code and actual-replacement-cost endorsements and earthquake insurance. Such insurance policy, after application of any deductibles, must provide not less than eighty percent of the actual cash value of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies
- 10.2.2. <u>Liability</u>. A policy or policies insuring the Association, its Board, the Owners individually, and the manager against any liability to the public or the Owners and their invitees or tenants, for all occurrences commonly insured against for bodily injury and property damage that may arise incident to the use, ownership, maintenance, supervision, control, or use of the Common Elements. Limits of liability under such insurance must be not less than \$1 million per occurrence for bodily injuries and property damage liability. The limit and coverage must be reviewed at least annually by the Board, which may increase the liability limits, coverage, or both, in its discretion. The policy or policies must be issued on a commercial general liability form and must provide medical payments insurance and cross-liability endorsements wherein the rights of the named insured under the policy or policies will not be prejudiced in his, her, or their action against another named insured.
- 10.2.3. <u>Workers' Compensation</u>. Workers' compensation insurance to the extent that it is necessary to comply with any applicable laws.
- 10.2.4. <u>Fidelity Insurance</u>. The Board must obtain a policy or policies insuring the Association, its Directors, Owners, and representatives.

10.3 Insurance Companies Authorized.

All policies obtained under this Article must be written by a company licensed to do business in Washington and holding a "Commissioner's Rating" of "A+" and a size rating of "AAA" or better, by *Best's Insurance Reports*, or as may be otherwise acceptable to all mortgagees and Directors.

10.4 Provisions in Insurance Policies.

The Board must make every reasonable effort to secure insurance policies that will provide for the following:

10.4.1. <u>Waiver of Subrogation</u>. A waiver of subrogation by the insurer on any claims against the Board, the officers, the manager, the Owners, members of the Owners' household, and their respective servants, agents, guests, and tenants.

- 10.4.2. <u>Noncancellation for Owner Conduct</u>. A provision that the master policy on the Property cannot be canceled, invalidated, or suspended because of the conduct of any one or more individual Owners and any act or omission by an Owner cannot be a considered a condition to recovery under the policy.
- 10.4.3. Noncancellation without Opportunity to Cure. A provision that the master policy on the Property cannot be canceled, invalidated, or suspended because of the conduct of any officer or employee of the Board or the manager without prior demand in writing that the Board or manager cure the defect. The insurer may not modify the amount or the extent of the coverage of the policy or cancel or refuse to renew the policy unless the insurer has complied with all applicable provisions of RCW chapter 48.18 and RCW 64.90.470.
- 10.4.4. "No Other Insurance" Clauses. A provision that any "no other insurance" clause in the master policy exclude individual Owners' policies and not otherwise prevent such individual policies from providing coverage for damage to Homes, Lots, or Common Elements and Limited Common Elements. If there is other insurance in the name of an Owner covering the same risk covered by the policy at the time of a loss under the policy, the Association's policy shall provide primary insurance.
- 10.4.5. <u>Additional Insureds</u>. Each Owner is an insured person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association. Insurers must issue certificates or memoranda of insurance to the Association and, upon a request made in a record, to any Owner or holder of a security interest.

10.5 Home and Lot Insurance Maintained by Each Owner.

The Association will have no responsibility to procure or to assist Owners or Occupants in procuring property loss insurance or liability insurance other than as expressly stated in this Article ARTICLE 10. Owners and Occupants must procure all other insurance coverage that they deem necessary or prudent for their protection and are obligated to carry property insurance with extended coverage endorsements in the amount of the replacement value of the Owners' Homes and with minimum combined limits of \$100,000 per occurrence. Insurance coverage obtained and maintained by the Board may be brought into contribution with that obtained and maintained by Owners or mortgagees only in the Board' sole and unfettered discretion.

10.6 Review of Insurance Policies.

At least annually, the Board must review all insurance carried by the Association, which review must include a consultation with a representative of the insurance carrier writing the master policy.

10.7 Adjustments and Payments.

Any loss covered by the property insurance policy or commercial general liability policy must be adjusted with the Association, but the insurance proceeds for that loss are payable to any insurance trustee designated for that purpose, or otherwise to the Association, and not to any holder of a security interest. The insurance trustee or the Association must hold any insurance proceeds in trust for the Association, Owners, and lienholders as their interests may appear.

10.7.1. Any portion of the Property that is damaged or destroyed, which is required to be insured by the Association, must be repaired or replaced promptly by the Association unless:

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- 10.7.1.1. The Property is terminated, in which case RCW 64.90.290 applies;
 - 10.7.1.2. Repair or replacement would be illegal; or
- 10.7.1.3. Eighty percent of the Owners, including every Lot Owner or assigned Limited Common Element that will not be rebuilt, vote not to rebuild.
- 10.7.2. Insurance proceeds must be disbursed first for the repair or replacement of the damaged property, and the Association, Owners, and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or replaced, or the Property is terminated.
- 10.7.3. The cost of repair or replacement not paid by insurance proceeds is a common expense. If portions of the damaged or destroyed Property are not repaired or replaced:
 - 10.7.3.1. The insurance proceeds attributable to the damaged Common Elements must be used to restore the damaged area to a condition compatible with the remainder of the Property; and
 - 10.7.3.2. Except to the extent that other persons will be distributees:
 - 10.7.3.3. The insurance proceeds attributable to Lots and Limited Common Elements that are not repaired or replaced must be distributed to the Owners of those Lots and the Owners of the Lots to which those Limited Common Elements were allocated, or to lienholders, as their interests may appear; and
 - 10.7.3.4. The remainder of the proceeds must be distributed to all the Owners or lienholders, as their interests may appear, in proportion to the common expense liabilities of all the Lots.

10.8 Nonavailability of Insurance.

If the insurance described in this section is not reasonably available, the Board must promptly notify all Owners.

ARTICLE 11 - AMENDMENT

Except as otherwise provided in this Article 11 and the restrictions set forth elsewhere herein, these Bylaws may be amended at any time by an instrument approved by at least a majority of the total votes of the Lots. Any amendment must be executed, recorded, and certified as provided by law. However, no amendment of these Bylaws may effect an amendment of the Declaration or the Articles without compliance with the provisions of those documents, the Washington Nonprofit Corporation Act and the WUCIOA, and no amendment deleting or affecting any right of Declarant or its successor or assignee, including, without limitation, an amendment to this Article 11, may be adopted without the prior written consent of Declarant or its successor or assignee.

ARTICLE 12 - RECORDS AND AUDITS

12.1 General Records.

The Board and the managing agent or manager, if any, must preserve and maintain 4829-0236-0967, v. 1

minutes of the meetings of the Association, the Board, and any Board committees as required by RCW 64.90.445. The Board must maintain a list of Owners entitled to vote at meetings of the Association. The minutes of the Association, the Board, and Board committees, and the Association's accounts and records must comply with RCW chapter 64.90 and must be reasonably available for review and copying by the Owners. A reasonable charge may be imposed by the Association for providing copies. Proxies and ballots must be retained by the Association for one year from the date of determination of the vote.

12.2 Assessment Roll.

The Board and the managing agent or manager, if any, must maintain the assessment roll in a set of accounting books in which there must be an account for each Lot. Each account must designate the name and address of the Owner or Owners, the amount of each assessment against the Owner, the dates on which and the amounts in which the assessment comes due, the amounts paid on the account, and the balance due on the assessments.

12.3 Payment of Vouchers.

The Treasurer or managing agent must pay all expenses authorized by the Board. The Treasurer or managing agent must maintain and follow reasonable procedures to ensure that the accounts and records are proper, and to ensure that all expenditures are proper. Except in cases when an emergency exists (e.g., a repair must be made immediately to prevent further damage), any voucher for nonbudgeted items must require the signature of the President; however, any withdrawal from Reserve Accounts must require the signature of two Board members.

12.4 Transition Audit.

Within sixty days of the Transition Meeting, the Board must retain an independent certified public accountant to audit the records of the Association in accordance with generally accepted auditing standards, unless the Owners, other than the Declarant, to which a majority of the votes are allocated elect to waive the audit. The cost of the audit must be a common expense. The auditor must examine supporting documents and records, including the cash and related paid invoices, to determine if expenditures were for Association purposes and the billings, cash receipts, and related records to determine if the Declarant was charged for and paid the proper amount of assessments.

ARTICLE 13 - COMPLIANCE AND CONFLICTS

These Bylaws are intended to comply with the provisions of the WUCIOA, the provisions of which apply to the Association. In case of any conflict among the provisions of the WUCIO, the Articles, the Declaration, or these Bylaws, the provisions of the WUCIOA will control over those of the Articles and Declaration, and the provisions of the Declaration will control over those of the Articles and these Bylaws.

ARTICLE 14 - INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS

The Association must indemnify any Director, officer, employee, or agent who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding. Indemnification will be made regardless of whether the action is civil, criminal, administrative, or investigative (other than an action by the Association) by reason of the fact 4829-0236-0967, v. 1

that such person is or was a Director, officer, employee, or agent of the Association or is or was serving at the request of the Association as a Director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with the suit, action, or proceeding. This indemnification applies if the person acted in good faith and in a manner that the person reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceedings, had no reasonable cause to believe that the person's conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or with a plea of nolo contendere or its equivalent, will not of itself create a presumption that a person did not act in good faith and in a manner that the person reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceedings, had reasonable cause to believe that the person's conduct was unlawful. Payment under this Article 12 may be made during the pendency of the claim, action, suit, or proceeding as and when incurred, subject only to the right of the Association to reimbursement of the payment from the person, should it be proven later that the person had no right to the payment. All persons ultimately held liable for their actions on behalf of the Association as a Director, officer, employee, or agent will have a right of contribution over and against all other Directors, officers, employees, or agents and Members of the Association who participated with or benefited from the acts that created the liability.

ARTICLE 15 - ASSESSMENT COLLECTION COSTS; SUITS AND ACTIONS

An Owner must pay reasonable fees and costs (including, but not limited to, attorney fees) and actual administrative costs incurred in connection with efforts to collect any delinquent unpaid assessments from the Owner, whether or not suit or action is filed. Assessments against Owners may include fees, late charges, fines, and interest imposed by the Board, in addition to amounts owed toward operating expenses and the funding of reserves. If the Association brings against any Owner or Owners a suit or action for the collection of any amounts due under or for the enforcement of any provisions of the Declaration, the Articles, or these Bylaws, the Owner or Owners, jointly and severally, must pay, in addition to all other obligations, the costs of the suit or action, including actual administrative expenses incurred by the Association because of the matter or act that is the subject of the suit, reasonable attorney fees to be fixed by the trial court, and, in the event of an appeal, the cost of the appeal, together with reasonable attorney fees in the appellate court to be fixed by the appellate court.

ARTICLE 16 - MISCELLANEOUS

16.1 Notices.

All notices to the Association or to the Board must be sent in care of the managing agent or, if there is no managing agent, to the principal office of the Association, to the attention of the President or Secretary at the address shown on the Association's most recent annual report, or to such other address as the Board hereafter may designate from time to time. All notices to any Owner or occupant must be sent to the Lot address unless the Lot owner or occupant has designated an alternate address in writing to the Board.

- 16.1.1. Form of Notice. Any notice, information, or other written material required to be given to an Owner, occupant, or Director may be given by pre-paid first-class United States mail, private carrier, or personal delivery; telegraph or teletype; telephone; wire; or wireless equipment that transmits a facsimile of the notice; or by electronic transmission to each Owner or Director who has delivered to the Secretary or other officer a consent to receive electronically transmitted notices. Electronic transmission may be provided by posting the notice on an electronic network and delivering a separate record of the posting to the Owner, Director, or occupant. Other forms of notice may also be deemed acceptable by the Board.
- 16.1.2. <u>Limitations on Electronic Notice</u>. Notwithstanding the foregoing, Electronic Communication may not be used to give notice of (a) failure to pay an assessment; (b) foreclosure of an association lien; (c) an action the Association may take against an Owner; or (d) an offer to use the dispute resolution process under section 3.15. An Owner or Director may decline to receive notice by Electronic Communication and may direct the Board to provide notice as required elsewhere in these Bylaws, the Declaration, or the WUCIOA.
- 16.1.3. Revocation of Consent. Consent to receive notice by electronic transmission may be revoked at any time by delivering a revocation to the Association in the form of a record. Consent to receive notice by electronic transmission is deemed revoked if the Association is unable to electronically transmit two consecutive notices and this inability becomes known to the Secretary of the Association or any other person responsible for given the notice. The inadvertent failure by the Association to treat this inability as a revocation does not invalidate any meeting or other action.
- 16.1.4. <u>Effective date</u>. Notice is effective as of the date of hand delivery, deposit with the carrier, or when sent by fax or electronic transmission. The ineffectiveness of a good-faith effort to deliver notice by an authorized means does not invalidate subsequent action taken.

16.2 Waiver.

No restriction, condition, obligation, or provision contained in these Bylaws will be deemed to have been abrogated or waived due to any failure to enforce it, irrespective of the number of violations or breaches that may have occurred and the number of times that the pertinent restriction, condition, obligation, or provision was not enforced.

16.3 Invalidity; Number; Captions.

The invalidity of any part of these Bylaws will not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws; however, if any of the provisions of these Bylaws would violate the rule against perpetuities or any other limitation on the duration of the provisions herein contained imposed by law, then the provision will be deemed to remain in effect only for the maximum period permitted by law. As used herein, the singular includes the plural, and the plural the singular. The masculine and neuter each include the masculine, feminine, and neuter, as the context requires. All captions are intended solely for convenience of reference and in no way limit any of the provisions of these Bylaws.

ARTICLE 17 - ADOPTION

It is hereby certified that these Bylaws have been adopted by Quail Reserve Homeowners Association, a Washington nonprofit corporation, and will be recorded in the Deed Records of Clark County, together with the Declaration for Quail Reserve Subdivision.

IN WITNESS WHEREOF, being, the undersigned have executed this instrument this day of february, 20 1 9.

Quail Reserve Homeowners Association

By:

Jon Girod, President

STATE OF WASHINGTON

Ss.

County of Clark

I certify that Jon Girod personally appeared before me and that I know or have satisfactory evidence that he signed this instrument as the President of Quail Reserve Homeowners Association, a Washington nonprofit corporation, and acknowledged said instrument to be his voluntary act and deed for the uses and purposes mentioned in the instrument.

DATED this 4 day of February, 20/9.



Print Name: Josaundra Hansen NOTARY PUBLIC FOR WASHINGTON My Commission Expires: 1-3-202

EXHIBIT A LEGAL DESCRIPTION



AKS ENGINEERING & FORESTRY, LLC

9600 NE 126th Avenue, Suite 2520, Vancouver, WA 98682

P: (360) 882-0419 F: (360) 882-0426

OFFICES IN: VANCOUVER, WA - TUALATIN, OR - KEIZER, OR - BEND, OR

PERIMETER LEGAL DESCRIPTION FOR **QUAIL RESERVE 1**

Being a portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, Clark County, described as follows:

BEGINNING at a ½" iron rod marking the Southwest corner of the Northwest quarter of the Southwest quarter of Section 1, as shown in Book 3 of Surveys, Page 82, Clark County Auditor's records:

Thence North 00° 05' 19" East, along the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 723.42 feet to a 1/2" iron rod (Survey 3-82) marking the Southwest corner of the Gustafson Tract as described under the Clark County Auditor's file number 9111010031;

Thence South 89° 38' 33" East, along the South line of said Gustafson Tract, also being along the South line of the Ollieu Tract as described under the Clark County Auditor's file number 5075884, for a distance of 413.00 feet;

Thence South 00° 05' 19" West, parallel with the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 324.00 feet;

Thence North 89° 39' 17" West, for a distance of 94.25 feet;

Thence South 00° 20' 43" West, for a distance of 46.00 feet;

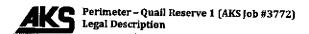
Thence South 89° 39' 17" East, for a distance of 94.46 feet;

Thence South 00° 05′ 19" West, for a distance of 98.74 feet;

Thence South 40° 13' 13" East, for a distance of 293.26 feet;

Thence South 07° 33' 34" East, for a distance of 32.13 feet to the South line of the Northwest quarter of the Southwest quarter of Section 1;

Thence North 89° 39' 07" West, along the South line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 607.00 feet to the POINT OF BEGINNING.



June 7, 2018 Page 1of 2 Contains approximately 7.38 acres.

SURVEYOR'S CERTIFICATE

I, Carl A. Beseda, hereby declare that the preceding Legal Description of the perimeter of this Plat to the best of my knowledge and belief, and that it was reviewed with the care of a prudent surveyor in this locality.

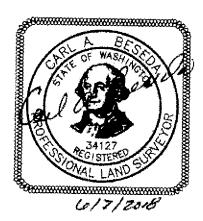


EXHIBIT B

RESERVE ACCOUNT

- 1. Reserve Account. Unless Declarant or the Board determines that (a) the cost of a reserve study will exceed ten percent (10%) of the Association's annual budget, or (b) the Association only has "nominal reserve costs" (as defined in RCW 64.90.010(34) as now or hereafter amended), a Reserve Account shall be established and administered in accordance with the requirements of RCW 64.90.535 et. seq. The Association will pay out of the Reserve Account only those costs that are attributable to the maintenance, repair, or replacement of Common Element or Limited Common Element property that normally requires replacement, in whole or in part, within one to 30 years and not for regular or periodic maintenance and expenses. The amount assessed shall be based upon reserve studies prepared by a reserve study professional, considering the estimated remaining life of the items for which the reserve is created and the current cost of those items.
 - 1.1 Administration. The Reserve Account shall be established in the name of the Association. The Board is responsible for administering the account and for making periodic payments into it. The Board shall adjust the amount of the payments at regular intervals to reflect changes in current replacement costs. Assessments paid into Reserve Accounts must be kept with a safe and responsible, income-earning, depository maintained under the direct control of the Board and must be accounted for separately. If invested, the obligation or security must be fully guaranteed as to principal by the United States of America or one of its agencies.
 - 1.2 <u>Use of Funds</u>. The account may be used only for maintenance, repair, or replacement of Common Element or Limited Common Element property, but not for regular or periodic maintenance and expenses, and shall be kept separate from all other funds held by the Association; provided, however, to the extent allowed by law and after such notice to Owners as required, the Association may borrow funds form the Reserve Account to meet temporary expenses which amount shall be repaid as soon as possible, but no later than twenty-four months, from special assessments or maintenance fees. If the Board determines that repayment within twenty-four months would impose an unreasonable burden on the Owners, the Board must provide (a) notice of such withdrawal; (b) a statement of the deficiency expressed on a per Lot basis; and (c) the repayment plan, along with a copy of the annual budget adopted in accordance with law. The Board may withdraw funds from the reserve account without satisfying the notice requirements outlined above to pay for replacement cost of reserve components not included in the reserve study.
 - 1.3 <u>Refunds</u>. The assessments paid into the Reserve Account are the property of the Association and are not refundable to Owners or sellers of Lots. Owners or sellers of Lots may treat their outstanding share of the Reserve Account's balance as a separate item in the sales contract providing for the conveyance of their Lot.
- 2. <u>Reserve Study</u>. Unless exempt from preparing a reserve study, the Association must prepare an initial reserve study based upon a visual site inspection conducted by a reserve study professional or a review of plans and specifications for unbuilt improvements, or both, if only some of the construction is complete. An updated reserve study is required annually. The 4829-0236-0967, v. 1

Board shall update the Reserve Study every three years based upon a visual site inspection conducted by a reserve study professional. Every Reserve Study and update shall include the following:

- 2.1 Reserve Component List. A reserve component list, including any reserve component that would cost more than one percent (1%) of the annual budget of the Association, not including the reserve account, for maintenance, repair, or replacement. If a reserve component is not included in the Reserve Study, the study shall provide commentary explaining the basis for its absence. The study shall also include quantities and estimates for the useful life of each reserve component, the remaining useful life of each reserve component and the current maintenance, repair, or replacement cost for each reserve component. The reserve study shall also include:
- 2.2 <u>Date</u>. The date of the study and statement that the study meets the requirements of RCW 64.90.550, as now or hereafter amended.
 - 2.3 <u>Level of Study</u>. The following level of reserve study performed:
 - (i) Level I: Full reserve study funding analysis and plan;
 - (ii) Level II: Update with visual site inspection; or
 - (iii) Level III: Update with no visual site inspection.
 - 2.4 Balance. The Association's reserve account balance.
- 2.5 <u>Funding</u>. The percentage of the fully funded balance that the Reserve Account is funded.
 - 2.6 <u>Assessments</u>. Special assessments already implemented or planned.
 - 2.7 <u>Assumptions</u>. Interest and inflation assumptions.
- 2.8 <u>Contribution Rate</u>. Current Reserve Account contribution rates for a full funding plan and baseline funding plan.
- 2.9 <u>Recommendations</u>. A recommended Reserve Account contribution rate, a contribution rate for a full funding plan to achieve a one hundred percent (100%) fully funded reserve by the end of the thirty-year study period, a baseline funding plan to maintain the reserve balance above zero throughout the thirty-year study period without special assessments, and a contribution rate recommended by the reserve study professional.
- 2.10 <u>Projected Balance</u>. A projected Reserve Account balance for 30 years and a funding plan to pay for projected costs from that Reserve Account balance without reliance on future unplanned special assessments.
- 2.11 <u>Professional Assistance</u>. A statement on whether the reserve study was prepared with the assistance of a reserve study professional, and whether the reserve study professional was independent.
- 2.12 <u>Statement of Deficit or Surplus</u>. A statement of the amount of any current deficit or surplus on reserve funding expressed on a dollars per Lot basis. This amount is calculated by subtracting the reserve account balance on the date of the study form the fully funded balance, then multiplying the result by the fraction or percentage of the common expenses of the Association allocable to each Lot.

2.13 Disclosure. The following disclosure must be included on all reserve studies:

This reserve study should be reviewed carefully. It may not include all common and Limited Common Element components that will require major maintenance, repair, or replacement in future years, and may not include regular contribution to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require the Association to (1) defer major maintenance, repair, or replacement (2) increase future reserve contributions, (3) borrow funds to pay for major maintenance, repair, or replacement or (4) impose special assessments for the cost of major maintenance, repair, or replacement.

3. When more than three years have passed since the date of the last reserve study prepared by a reserve study professional, the Owners of Lots to which at least twenty percent of the votes in the Association are allocated may demand that the cost of a reserve study be included in the next annual budget and the study be prepared by the end of that budget year. The demand must comply with and refer to RCW 64.90.555.

5701610 PLAT B: 312 P: 87
Total Pages: 61 Rec Fee: \$192.50
Recorded in Clark County, WA 02/12/2020 01:10 PM
QUAIL RESERVE LLC

RETURN	ADDRESS
--------	----------------

WFG 71+6
101 E, 6 th St # 625
Vancouver WA 98660
Please print neatly or type information Document Title(s)
Quail Reserve 2 Plat Dedecation
Reference Number(s) of related documents:
Additional Reference #'s on page
Grantor(s) (Last name, First name and Middle Initial)
Quail Reserve LLC'
Additional grantors on page
Grantee(s) (Last name, First name and Middle Initial)
Quail Reserve & subdivision The Public
Additional grantees on page Legal Description: (abbreviated form: i.e. lot, block, plat or section township, range, quarter/quarter)
#25, #73 Swily SIT3N RZEWM Additional legal is on page
Assessor's Property Tax Parcel/Account Number
191916000 191964000
Additional parcel #'s on page
The Auditor/Recorder will rely on the information provided on this form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.
I am requesting an emergency nonstandard recording for an additional fee as provided in RCW 36.18.010. I understand that the recording process may cover up or otherwise obscure some part of the text of the original document.
Signature of Requesting Party

QUAIL RESERVE 2

DESCRIPTION

See Attached Exhibit "A"

DEDICATION

We, the undersigned owners of the above described real estate, do hereby lay out and plat the same into streets and lots, as shown upon the accompanying plat; said plat to be known as:

QUAIL RESERVE 2

according to the recorded plat thereof, in Clark County, Washington, and we hereby dedicate the said streets to the public use forever, but subject to easements as set forth on the plat, and subject to the conditions and restrictions, a copy which is attached hereto and by reference made a part hereof.

Abbr. Legal: TL #25 & #73, SW 1/4 Sec. 1-T3N-R2EWM

Tax Account No.: 191916000, 191964000

Dated this Kunday of November 2019

Quail Reserve, LL

øn Џ. G∕ród, Manager

Curtis L. Massie

Blakemore Holdings, Inc.

by Signed in Counterpart

Heidi M. Massie

QUAIL RESERVE 2

DESCRIPTION

See Attached Exhibit "A"

DEDICATION

We, the undersigned owners of the above described real estate, do hereby lay out and plat the same into streets and lots, as shown upon the accompanying plat; said plat to be known as:

QUAIL RESERVE 2

according to the recorded plat thereof, in Clark County, Washington, and we hereby dedicate the said streets to the public use forever, but subject to easements as set forth on the plat, and subject to the conditions and restrictions, a copy which is attached hereto and by reference made a part hereof.

Abbr. Legal: TL #25 & #73, SW 1/4 Sec. 1-T3N-R2E	WM
Tax Account No.: 191916000, 191964000	
Dated this <u>5</u> day of <u>Wov.</u> ,	2019
Quail Reserve, LLC by Jon L. Girod, Manager	Blakemore Holdings, Inc.
Curtis L. Massie	Heidi M. Massie

County of Clark

I certify that I know or have satisfactory evidence that Jon L. Girod signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Manager of Quail Reserve LLC, to be his free and voluntary act for the uses and purposes mentioned in this instrument.

BRANDY MCELLRATH Notary Public State of Washington Commission # 39087 My Comm. Expires Aug 18, 2022	Notary Public in and for the State of Washington Residing at Musicus, WA My appointment expires 9 6 22
County of Clark	ss. that
	was authorized to execute the instrument and of Blakemore Holdings Inc., to be free and d in this instrument.
Dated	Notary Public in and for the State of Washington Residing at, WA My appointment expires

County of Clark

I certify that I know or have satisfactory evidence that Jo that he was authorized to execute the instrument and ac LLC, to be his free and voluntary act for the uses and pu	knowledged it as the Manager of Quail Reserve
Dated	Notary Public in and for the State of Washington Residing at, WA
State of Washington	My appointment expires
ss. County of Clark	
I certify that I know or have satisfactory evidence that signed this instrument, on oath stated that was acknowledged it as the bearing of Bla voluntary act for the uses and purposes mentioned in the	kemore Holdings Inc., to be Lee free and
Dated - poombon 5,0015	

NANCY NELSON
Notary Public
State of Washington
Commission #178773
My Comm. Expires June 1, 2023

Notary Public in and for the State of Washington Residing at WA My appointment expires WA

COUNTY OF CLARK

I certify that I know or have satisfactory evidence that Curtis L. Massie and Heidi M Massie are the persons who appeared before me, and said person acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: MYCHARDER & WITH STATE STATE



AKS ENGINEERING & FORESTRY, LLC

9600 NE 126th Avenue, Suite 2520, Vancouver, WA 98682

P: (360) 882-0419 F: (360) 882-0426

OFFICES IN: VANCOUVER, WA - TUALATIN, OR - KEIZER, OR - BEND, OR

FOR QUAIL RESERVE 2

Being a portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, City of Battle Ground, Clark County, described as follows:

COMMENCING at a ½" iron rod marking the Southwest corner of the Northwest quarter of the Southwest quarter of Section 1, as shown in Book 3 of Surveys, Page 82, Clark County Auditor's records:

Thence North 00° 05′ 19″ East, along the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 723.42 feet to a brass screw with washer marking the Northwest corner of Quail Reserve 1 recorded in Book 312 of Plats, Page 8 of Clark County Auditor's records;

Thence South 89° 38' 33" East, along the North line of Quail Reserve 1 (312-8), for a distance of 413.00 feet to the Northeast corner of said plat and to the **POINT OF BEGINNING**;

Thence following the Easterly line of said Quail Reserve 1 the following described courses:

Thence South 00° 05′ 19″ West, parallel with the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 324.00 feet;

Thence North 89° 39' 17" West, for a distance of 94.25 feet;

Thence South 00° 20' 43" West, for a distance of 46.00 feet;

Thence South 89° 39' 17" East, for a distance of 94.46 feet;

Thence South 00° 05′ 19" West, for a distance of 98.74 feet;

Thence South 40° 13′ 13" East, for a distance of 293.26 feet;

Thence South 07° 33′ 34″ East, for a distance of 32.13 feet to the South line of the Northwest quarter of the Southwest quarter of Section 1 also being the Southeast corner of Quail Reserve 1;

Thence South 89° 39′ 07″ East, along the South line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 430.41 feet to the Southeast corner of Massie Tract as described in Exhibit C per Clark County Auditor's File No. 5448091;

Thence along the East line of said Exhibit C per Clark County Auditor's File No. 5448091 the following described course's;

Thence North 14°20′22" East, for a distance of 300.00 feet;

Thence North 67°53'13" West, for a distance of 166.00 feet;

Thence North 00°05′19″ East, for a distance of 344.00 feet to the Northeast corner of said Exhibit C;

Thence North 89°39′17″ West, along the North line of Exhibit C, for a distance of 297.53 feet;

Thence North 00°26'42" East, for a distance of 26.67 feet;

Thence North 89°38′33″ West, for a distance of 247.01 feet to the **POINT OF BEGINNING**.

Contains approximately 9.22 acres.

SURVEYOR'S CERTIFICATE:

I, Carl A. Beseda, hereby declare that the preceding Legal Description is the Legal Description of the perimeter of this Plat to the

best of my knowledge and belief, and that it was reviewed with the care of a prudent surveyor in this locality.



10/10/2019

Do not write,	sign, o	r stamp outsi	de the	double	line

BILL OF SALE The Grantor(s), _Quail Reserve LLC, for and in consideration of good and valuable consideration the receipt and sufficiency of which is/are hereby acknowledged, dedicates and conveys to the City of Battle storm, and water systems improvements which have been connected to the existing system being served by the City of Battle Ground and described as follows: Legal / Parcel #: __NW 1/4 SW 1/4 Sec 1 T3N R2EWM parcel # 191964-000/191916-000 Project: ____Quail Reserve II__ Dated this 2 day of December 20 19. Signature Jon Girod. STATE OF WASHINGTON) ss COUNTY OF CLARK I certify that I know or have satisfactory evidence that Jon Girod signed this instrument, on oath stated that he / she is authorized to execute the instrument as the Manager of Quail Reserve LLC and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. Dated this and day of December, 2019. Signature of Notary Public Brandy MCEllath Printed Name of Notary Public BRANDY MCELLRATH **Notary Public** Notary Public for the State of Washington, State of Washington Residing MUNICIPLE Commission # 39087 My Comm. Expires Aug 18, 2022 My Commission Expires: 8/19/22

When Recorded Return To: City Of Battle Ground Community Development Department 109 SW 1st Street, Suite 127 Battle Ground, WA 98604

STORMWATER FACILITY MAINTENANCE AGREEMENT

Grantor Grantee Abbreviated Legal Assessor's Tax Parcel Nos. Other Reference Nos.		: Quail Reserve LLC : City of Battle Ground :NW ¼ SW ¼ S 1 T3N R2EWM :191964-000/191916-000 :	
1.	Effective Date:		
2.	Parties:	_Quail Reserve LLC	("Applicant")
		City of Battle Ground A Washington Municipal Corporation	on ("City")

3. Recitals:

- A. Applicant owns property legally described in Exhibit "A" ("Property"), situated in the _NW1/4, SW ¼ of Section 1, Township 3N, Range 2E of the Willamette Meridian, preliminary approved under City File Number SUB 03-15.
- B. Applicant is in the process of seeking final plat approval for the Property from the City for Quail Reserve Phase II
- C. Applicant is using Tract "_E__" of the Quail Reserve II plat, which is to be dedicated to the City of Battle Ground.
- D. One of the conditions that must be satisfied prior to the City issuing final plat approval for the Property required Applicant to submit a maintenance agreement in association with the proposed dedication of the stormwater facility to the City where Applicant agrees to maintain the stormwater facility on the Property within the time frame and in conformance with the requirements and standards identified in the BGMC 18.250.310.A.

Now, therefore, the parties agree as follows:

4. <u>Two-Year Stormwater Facility Maintenance Plan.</u> Until a date, which is two years from the date of final acceptance of the stormwater facility, Applicant hereby fully agrees to maintain the stormwater facility located on the Property as legally described and illustrated in Exhibit "B" (Stormwater Facility Tract "_E__"). Pursuant to

STORMWATER FACILITY MAINTENANCE AGREEMENT PAGE 1 OF 3

- 5. BGMC 18.250 Stormwater Requirements, the two-year maintenance obligations shall be as detailed in the "Stormwater Facility Maintenance Schedule" and as attached as Exhibit "C." Notwithstanding, Applicant's 2-year maintenance obligations, when the final plat Quail Reserve Phil is recorded, the stormwater facility legally described and illustrated in Exhibit "B" shall be dedicated to the City.
- 6. Attorney's Fees. In the event of a suit, proceeding, arbitration, or action of any nature whatsoever is instituted, including without limitation any proceeding under the US Bankruptcy Code, or the services of any attorney are retained to enforce any term, condition, or covenant of this Agreement, or to procure an adjudication, interpretation, or determination of the rights of the parties, the prevailing party shall be entitled to recover form the other party, in addition to any award of costs and expenses, including paralegal's, accountants', and other experts' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection with such suit, proceeding, or action, including appeal or bankruptcy proceeding, which sum shall be included in any judgment or decree entered therein and such amounts awarded shall be in addition to all other amounts provided by law.
- 7. <u>Binding On Successors.</u> This Agreement shall be binding upon the parties, their respective heirs, legatees, devisees, executors, administrators, guardians, conservators, successors, purchasers, tenants, encumbrancers, donees, grantees, mortgages, lienors, and assigns.
- 8. <u>Governing Law.</u> This Agreement shall be construed with and governed by the laws pertaining to contracts of the State of Washington. The parties agree to venue in Clark County, State of Washington.
- 9. <u>Severability.</u> If any portion of this Agreement, other than the performance provisions described in this Agreement, shall be invalid or unenforceable to any extent, the validity of the remaining provisions shall not be effected thereby.

IN WITNESS WHEREOF, of parties here to have caused this agreement to be executed on the day and year indicated below.

Dated this day of	Dated this day of, 20
APPLICANT Signature: Printed Name: Company: QVAI RISURVE LLC Title: WANAGER	CITY OF BATTLE GROUND Signature: Signe d a Printed Name: Connterpet Company: City of Battle Ground Title:
0	

- 5. BGMC 18.250 Stormwater Requirements, the two-year maintenance obligations shall be as detailed in the "Stormwater Facility Maintenance Schedule" and as attached as Exhibit "C." Notwithstanding, Applicant's 2-year maintenance obligations, when the final plat Quail Reserve Phil is recorded, the stormwater facility legally described and illustrated in Exhibit "B" shall be dedicated to the City.
- 6. Attomey's Fees. In the event of a suit, proceeding, arbitration, or action of any nature whatsoever is instituted, including without limitation any proceeding under the US Bankruptcy Code, or the services of any attorney are retained to enforce any term, condition, or covenant of this Agreement, or to procure an adjudication, interpretation, or determination of the rights of the parties, the prevailing party shall be entitled to recover form the other party, in addition to any award of costs and expenses, including paralegal's, accountants', and other experts' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection with such suit, proceeding, or action, including appeal or bankruptcy proceeding, which sum shall be included in any judgment or decree entered therein and such amounts awarded shall be in addition to all other amounts provided by law.
- 7. <u>Binding On Successors.</u> This Agreement shall be binding upon the parties, their respective heirs, legatees, devisees, executors, administrators, guardians, conservators, successors, purchasers, tenants, encumbrancers, donees, grantees, mortgages, lienors, and assigns.
- 8. Governing Law. This Agreement shall be construed with and governed by the laws pertaining to contracts of the State of Washington. The parties agree to venue in Clark County, State of Washington.
- Severability. If any portion of this Agreement, other than the performance provisions described in this
 Agreement, shall be invalid or unenforceable to any extent, the validity of the remaining provisions shall not
 be effected thereby.

IN WITNESS WHEREOF, of parties here to have caused this agreement to be executed on the day and year indicated below.

Dated this 30th day of January 2020
CITY OF BATTLE GROUND
Signature: L
Printed Name: Enn Erdman
Company; City of Battle Ground
Title: City Manager

When Recorded Return To: City Of Battle Ground Community Development Department 109 SW 1st Street, Suite 127 Battle Ground, WA 98604

STORMWATER FACILITY MAI | TENANCE AGREEMENT

Grantor Grantee Abbreviated Legal Assessor's Tax Parcel Nos. Other Reference Nos.		e iated Legal or's Tax Parcel Nos.	: Quail Reserve LL: : City of Battle Gro :NW ¼ SW ¼ S 1 T :191964-000/191910 :	ur 31	2EWM)					
1.	<u>Effe</u>	ective Date:								
2.	<u>Par</u>	ties:	_Quail Reserve LLC		(("Applicant")				
			City of Battle Groun A Washington Muni	а	l Corporation ("	'City")				
3.	Rec	citals:								
	A.	Applicant owns property to Section 1, Township 3i Number SUB € +15.			bit "A" ("Proper nette Meridian,	•	i the	-	V1/4, SW under City	•
	В.	Applicant is in the proce	of seeking final pla	ipp	proval for the Pi	rof erty fror	ne Ci	t or	′ ıail Res	serve
	C.	Applicant is using Tract Ground.	Ē <u></u> ″ of the Quail F	er	e II plat, which	to be do	licated	th	Dity of E	Battle
	D.	One of the conditions the required Approant to suthe stormwater facility is Property with nother time BGMC 18.250.310.A.	nit a maintenance the City where A	jree ica	to the City issement in asso nt agrees to with the requ	j final plat ion with the ntain the ments ar d	ne pr storr	al ose ate rds	the Pro dedication acility or entified in	on of the
Nov	v, the	erefore, the parties agree i	follows:							
4.	acco on	o-Year Stormwater Facility eptance of the stormwater the Property as legally c suant to		by	til a date, wh fully agrees to in Exhibit "U		sto .	water	e date of facility loc ract "_E	ated

STORMWATER FACILITY MAINTENANCE AGREEMENT PAGE 1 OF 3

STATE OF WASHINGTON)) ss	
COUNTY OF CLARK)	A
I certify that I know or have satisfactory evidence that I on oath stated that he / she was authorized to execute the said purposes mentioned in the instrument.	be the free and voluntary act of such party for the uses
Dated this day of	Signature Of Notary Public
BRANDY MCELLRATH Notary Public State of Washington Commission # 39087 My Comm. Expires Aug 18, 2022	Printed Name Of Notary Public Vancouver Notary Public For Washington, residing My Commission Expires: 09 19 22
STATE OF WASHINGTON)) ss COUNTY OF CLARK)	
I certify that I know or have satisfactory evidence that _on oath stated that he /she was authorized to execute the OF BATTLE SADUND and acknowledged it to and purposes mentioned in the instrument.	e instrument as the <u>CITH MANAGES</u> of
Dated this 35 day of JANUARY, 2020	Signature Of Notary Public
Notary Public State of Washington Tamara L Gunter Commission Expires 01-01-2023	TAMARA L. GUNTER Printed Name Of Notary Public CLARA Co. Notary Public For Washington, residing
	My Commission Expires: 01 01 2023

Exhibit A: Legal Description Of Subdivision
Exhibit B: Legal Description And Sketch Of Stormwater Facility
Exhibit C: Stormwater Facility Maintenance Schedule



AKS ENGINEERING & FORESTRY, LLC

9600 NE 126th Avenue, Suite 2520, Vancouver, WA 98682 P: (360) 882-0419 F: (360) 882-0426

OFFICES IN: VANCOUVER, WA - TUALATIN, OR - KEIZER, OR - BEND, OR

EXHIBIT

PERIMETER LEGAL DESCRIPTION FOR QUAIL RESERVE 2

Being a portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, City of Battle Ground, Clark County, described as follows:

COMMENCING at a ½" iron rod marking the Southwest corner of the Northwest quarter of the Southwest quarter of Section 1, as shown in Book 3 of Surveys, Page 82, Clark County Auditor's records:

Thence North 00° 05′ 19″ East, along the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 723.42 feet to a brass screw with washer marking the Northwest corner of Quail Reserve 1 recorded in Book 312 of Plats, Page 8 of Clark County Auditor's records;

Thence South 89° 38′ 33″ East, along the North line of Quail Reserve 1 (312-8), for a distance of 413.00 feet to the Northeast corner of said plat and to the **POINT OF BEGINNING**;

Thence following the Easterly line of said Quail Reserve 1 the following described courses:

Thence South 00° 05′ 19" West, parallel with the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 324.00 feet;

Thence North 89° 39' 17" West, for a distance of 94.25 feet;

Thence South 00° 20' 43" West, for a distance of 46.00 feet;

Thence South 89° 39' 17" East, for a distance of 94.46 feet;

Thence South 00° 05' 19" West, for a distance of 98.74 feet;

Thence South 40° 13' 13" East, for a distance of 293.26 feet;

Thence South 07° 33′ 34″ East, for a distance of 32.13 feet to the South line of the Northwest quarter of the Southwest quarter of Section 1 also being the Southeast corner of Quail Reserve 1;

Thence South 89° 39′ 07″ East, along the South line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 430.41 feet to the Southeast corner of Massie Tract as described in Exhibit C per Clark County Auditor's File No. 5448091;

Thence along the East line of said Exhibit C per Clark County Auditor's File No. 5448091 the following described course's;

Thence North 14°20'22" East, for a distance of 300.00 feet;

Thence North 67°53'13" West, for a distance of 166.00 feet;

Thence North 00°05′19" East, for a distance of 344.00 feet to the Northeast corner of said Exhibit C;

Thence North 89°39'17" West, along the North line of Exhibit C, for a distance of 297.53 feet;

Thence North 00°26'42" East, for a distance of 26.67 feet;

Thence North 89°38′33″ West, for a distance of 247.01 feet to the **POINT OF BEGINNING**.

Contains approximately 9.22 acres.

SURVEYOR'S CERTIFICATE:

I, Carl A. Beseda, hereby declare that the preceding Legal Description is the Legal Description of the perimeter of this Plat to the best of my knowledge and belief, and that it was reviewed with the care of a prudent surveyor in

this locality.



10/10/2019



BEND, OR 3052 NW Merchant Way Suite 100 Bend, OR 97003 (503) 317-8429

/www.aka-eng.com

KEIZER, DR 4300 Cherry Avenue NE Kelzer, DR 97303 (503) 400-6028 TUALATIN, OR 12965 SW Herman Road Suite 100 Tualatin, OR 97062 (503) 563-6151 VANCOUVER, WA 9500 NE 126th Avenue Suite 2520 Vancouver, WA 98682 (360) 882-0419

FOR QUAIL RESERVE 2

TRACT E

SXHIBIT B-1

Being a portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, City of Battle Ground, Clark County, Washington, described as follows:

COMMENCING at a half-inch iron rebar marking the Southwest corner of the Northwest quarter of the Southwest quarter of Section 1 as shown in Book 3 of Surveys, Page 82, Clark County Auditor's records;

Thence South 89° 39′ 07" East, along the South line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 607.00 feet to the Southeast corner of Quail Reserve 1, recorded in Book 312 of Plats, Page 8, Clark County Auditor's records;

Thence following the East line of Quail Reserve 1 (312-8) the following described courses;

Thence North 07° 33' 34" West, for a distance of 32.13 feet;

Thence North 40° 13' 13" West, for a distance of 293.26 feet;

Thence North 00° 05′ 19" East, for a distance of 81.74 feet;

Thence South 89° 39' 17" East, leaving said East line for a distance of 177.17 feet;

Thence South 67° 49′ 34" East, for a distance of 3.41 feet to the POINT OF BEGINNING;

Thence continuing South 67° 49' 34" East, for a distance of 198.81 feet;

Thence South 22° 10′ 38" West, for a distance of 83.70 feet;

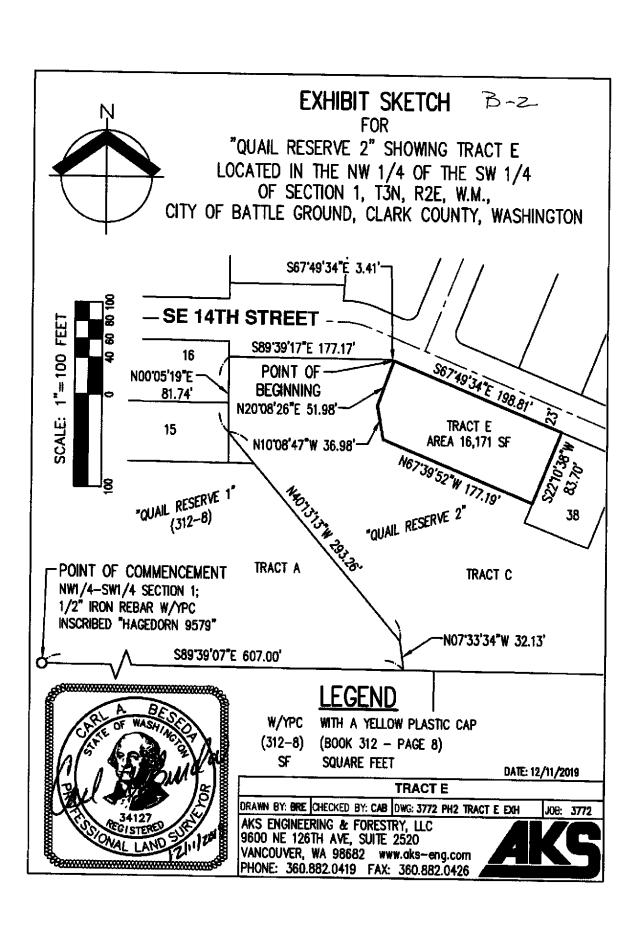
Thence North 67° 39' 52" West, for a distance of 177.19 feet;

Thence North 10° 08' 47" West, for a distance of 36.98 feet;

Thence North 20° 08′ 26″ East, for a distance of 51.98 feet to the POINT OF BEGINNING.

Contains approximately 16,171 acres.





Stormwater Facility Maintenance Schedule Exhibit "C"

Stormwater Biofiltration Swales

Biofiltration swales use grass or other dense vegetation to filter sediment and oily materials out of stormwater. Swales are stormwater treatment devices that must be properly maintained to sustain pollutant removal capacity.

Operation And Maintenance Practices

Inspection

- Swales are easy to inspect and need to be well maintained to treat stormwater. Make frequent visual
 inspections for problems such as channeling flow, rills, bare ground, sediment, and oily material.
- Identify and remove pollutant sources discharging to the swale.

Cleaning

- Clear inlets and outlets to prevent blockage.
- Remove litter when mowing or when litter accumulation exceeds one cubic foot (about one and a half five-gallon buckets).
- Use rake and shovel to hand remove sediment accumulation greater than 2 inches that cover grass areas, avoiding vegetation removal.

Vegetation Management

- Mow to keep grass at the optimum height (6 inches). Mow no less than 4 inches height and a minimum
 of four cuttings per year.
- Remove clippings from the treatment area in the base of the swale. Clippings may be raked or blown onto the side slopes. If the swale has vertical walls or no side-slopes then clippings must be removed.
- Preserve healthy vegetation or reestablish vegetation where needed. Seed bare spots.
- Use cover BMPs on bare soils. BMPs include hydroseeding or mulches.
- Vegetation management should be timed to avoid or minimize impacts on wildlife.
- Stormwater control facilities are, in effect, water body buffers in which pesticides, herbicides, and fertilizers are not to be used. Use mechanical methods to control weeds.
- Trees and shrubbery should be allowed to grow unless they interfere with facility function or maintenance activities.

Repairs

- Repair and seed bare areas. Repair eroded slopes when rills form, where the cause of damage is
 present or there is potential for future erosion. Use cover BMPs on exposed soils.
- Level spreaders must be in proper working order to function properly. Where level spreaders are damaged, sunken, or bypassed by erosion, repair them to design standard.
- Rodent holes on a dam or berm can pipe water. Repair such damage if observed. If a liver was used during construction and is visibly damaged, repair or replace at this time.
- Spillway areas should be observed for proper working function and should be covered by more than one layer of rock.

Stormwater Facility Maintenance Schedule (continued)

Detention Ponds

Detention facilities are designed to hold and slowly release stormwater by use of a pond and specially designed control structure.

Operation And Maintenance Practices

Inspection

• Identify and report pollutant sources to the facility. Inspect the facility for oil and other pollutants and remove any pollutants greater in volume than surface sheen.

Cleaning

- · Clear inlets and outlets to prevent blockage.
- Trash is removed when it exceeds 1 cubic foot per 1000 square feet.
- Remove sediment when it accumulates to 10 percent designed pond depth. Avoid vegetation removal.

Vegetation Management

• See vegetation management practices under stormwater biofiltration swales on page 1. Follow the same practices for proper care of detention ponds. Mowing shall take place as stated previously with a minimum of four cuttings per year and an optimum grass height of 6 inches but no less than 4 inches.

Repairs

 Repair of detention ponds shall follow similar practices as previously stated under stormwater biofiltration swales on page 1.

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

Stephen W. Horenstein Horenstein Law Group PLLC 500 Broadway, Suite 370 Vancouver, WA 98660

Grantor:

Quail Reserve, LLC

Grantee:

THE PUBLIC

Abbreviated Legal:

NW ¼ OF THE SW ¼ OF SECTION 1, TOWNSHIP 3

NORTH, RANGE 2 EAST, W.M.

Assessor's Tax Parcel #:

191916-000 and 191964-000

Other Reference Nos.:

Original Declaration: 5582610

Original Plat: 5569702 in Book 312, page 8, on December 10, 2018

New Plat: Book 312 page 87 5701610

Original ByLaws: 5582543

First Amendment to ByLaws: 5701616

AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR QUAIL RESERVE SUBDIVISION

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AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR

QUAIL RESERVE SUBDIVISION

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR QUAIL RESERVE SUBDIVISION ("Declaration"), is made by QUAIL RESERVE, LLC ("Declarant") effective as of <u>February 12,2020</u> This Declaration amends and restates the previous Declaration dated February 4, 2019, which was recorded in Clark County, Washington at 5582610. To the extent that any provision of this Amendment conflicts with the Declaration dated February 4, 2019, the terms of this Declaration shall control.

RECITALS

With the exception of Lot 37, Declarant is the owner of all the real property and improvements thereon located in Clark County, Washington, described on Exhibit A and Exhibit B attached hereto and incorporated herein by this reference. The Owners of Lot 37 desire to join in and be subject to the Declaration, as amended from time to time, as evidenced by Exhibit C. Accordingly, real property and improvements described on Exhibit A and Exhibit B, including Lot 37, hereinafter shall be referred to as the "Property" or "Quail Reserve".

Declarant desires to impose these mutually beneficial covenants, conditions, restrictions, easements, assessments, and liens on the Property, under a comprehensive general plan of improvement and development for the benefit of all Lots, Common Elements, and Limited Common Elements in the Quail Reserve Subdivision. Quail Reserve shall be a common interest plat community.

Declarant has deemed it desirable for the efficient preservation of the values and amenities in Quail Reserve to create a limited liability company, to which will be delegated and assigned the powers and authority to own, maintain, repair, replace, and administer the Common Elements, Limited Common Elements, and facilities; to administer and enforce the covenants, conditions, and restrictions of this Declaration; and to collect and disburse the assessments and charges hereinafter created. This limited liability company shall be named the "Quail Reserve Homeowners Association," hereinafter, the "Association."

The Declarant will convey the initial Limited Common Elements to the Association prior to the conveyance of a Lot to any purchaser. Upon conveyance of the Limited Common Elements to the Association, the Owner(s) benefitted by the Limited Common Elements will enter into a road maintenance agreement that will be recorded against and run appurtenant to the land.

In the event the Declarant adds any future Common Elements or Limited Common Elements to the Association, upon conveyance of the Common Elements and Limited Common Elements to the Association, the Association will assume the maintenance obligation of those Common Elements and Limited Common Elements for the benefit of the Owners and assess the Owners of the Lots equally for the expenses.

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NOW THEREFORE, Declarant declares that the Property will be held, transferred, sold, conveyed, and occupied as a plat community subject to the RCW 64.90.010 as may be amended from time to time and subject to the following covenants, conditions, restrictions, easements, charges, and liens, which will run with the land, which will be binding on all parties having or acquiring any right, title, or interest in the Property or any part thereof, and which will inure to the benefit of the Association and of each Owner. This Declaration does not and is not intended to create a condominium within the meaning of the Washington Uniform Common Interest Ownership Act, at RCW 64.90 et. seq.

ARTICLE 1 DEFINITIONS

- 1.1. "Architectural Review Committee" or ARC refers to the committee constituted and acting under Article 6 of this Declaration.
- 1.2. "Articles" means the Articles of Incorporation for the nonprofit corporation, Quail Reserve Homeowners Association, as filed with the Washington Secretary of State.
- 1.3. "Association" means and refers to Quail Reserve Homeowners' Association, a Washington limited liability company, and its successors and assigns.
 - 1.4. "Board" means the Board of Directors of the Association.
- 1.5. "Bylaws" means and refers to the Bylaws of the Association, which will be recorded in the office of the Auditor in Clark County, Washington.
- 1.6. "Common Elements" means and refers to areas and improvements intended to be devoted to the common use and enjoyment of the Members, including Tract C and Tract F on the New Plat recorded at the recording number identified above, when such tracts are established and conveyed to the Association.
- 1.7. "Declaration" means the covenants, conditions, restrictions, and all other provisions set forth in this Declaration.
- 1.8. "Declarant" means and refers to Quail Reserve LLC, and its successors or assigns, or any successor or assign to all or the remainder of its interest in the Property.
- 1.9. "Home" means and refers to any portion of a structure situated on a Lot and designed and intended for use and occupancy as a residence by a single family or household.
- 1.10. "Limited Common Elements" means and refers to areas and improvements on the Property that are intended to be used and enjoyed by more than one but less than all the Members, including Tract B and Tract D, as further described herein.
- 1.11. "Lot" means and refers to each and any of Lots 1 through 45 on the Plat. For purposes of RCW chapter 64.90, the term "Lot" has the same meaning as the term "unit."
 - 1.12. "Members" means and refers to the Owners of Lots in Quail Reserve.
- 1.13. "Occupant" means and refers to the occupant of a Home, whether such person is an Owner, a lessee, or any other person authorized by the Owner to occupy the Home.

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- 1.14. "Owner" means and refers to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, or a purchaser in possession of a Lot under a real estate contract. The foregoing does not include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation.
- 1.15. "Plat" means and refers collectively to the original Plat of Quail Reserve 1 recorded in the plat records of Clark County, Washington, at book 312, page 8, on November 19, 2018, recording number: 5569702 and the new Plat of Quail Reserve 2 recorded in the plat records of Clark County, Washington, at the location and recording number indicated on the first page of this Declaration.
- 1.16. "Property" and "Quail Reserve" have the meaning attributed to the terms in the Recitals of this Declaration.
- 1.17. "Reserve Account" means and refers to an account set up by the Board to hold funds for construction, improvements, or maintenance of the Common Elements.
- 1.18. "Rules and Regulations" means and refers to the documents containing rules, regulations, and policies adopted by the Board or the Architectural Review Committee, as may be amended from time to time.

ARTICLE 2 ASSOCIATION AND PROPERTY SUBJECT TO THIS DECLARATION

- 2.1. **Association**. Quail Reserve will be administered by the Quail Reserve Homeowners Association (the "Association"). The affairs of the Association will be managed by a Board of Directors.
- 2.2. Board of Directors. The Board will be composed of at least three (3) persons and if more board positions are added, the total shall be an odd number.
- 2.2.1 Qualifications. All Board members must be an Owner or a co-owner of a Lot. If a Lot is owned by more than one owner, only one owner of that Lot may serve on the Board of Directors at any one time. A board member, officer or employee of a corporation, the trustee of a trust, the personal representative of an estate, or an employee of a trust or estate may serve on the Board if the corporation, trust, or estate owns a Lot. To determine the qualifications of any officer or board member, "Owner" includes any board member, officer, member, partner, or trustee of any person who either alone or in conjunction with another person, is an Owner. If a person ceases to have an affiliation with the Owner entity that otherwise qualified the person to serve as a board member or officer, that person shall cease to be qualified to remain a board member or officer.
- 2.2.2 <u>Assumption of Duties</u>. Board members and officers must take office upon adjournment of the meeting or other event at which they were elected or appointed and must serve until their successor takes office. Board members and officers must read RCW chapter 64.90 before casting their first vote.
- 2.2.3 <u>Powers and Duties</u>. The Board has the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things that are not by law, by this Declaration, or by the Bylaws directed to be done by the Owners. The Board may

delegate any of its powers described in RCW 64.90.405 to a Master Association in accordance with RCW 64.90.300.

- 2.2.4 <u>Board Meetings</u>. Notice must be given at least fourteen (14) days before the meeting and must state the time, date, place, and agenda of the meeting. At each Board meeting, the Board must provide a reasonable opportunity for Owners to comment regarding matters of common interest and the Association.
- 2.3. Development. The development of Quail Reserve consists of the Property, which will be held, transferred, sold, conveyed, and occupied subject to this Declaration. Declarant does not intend to build any Common Element or Limited Common Element improvements in Quail Reserve other than as shown on the Plat. Declarant may add another phase(s) of development to Quail Reserve in the future and will amend as of right or petition to amend the Declaration, in accordance with the Declaration and applicable law, to accommodate the additional phase(s) at the appropriate time.
- 2.4. Right to Annex Additional Property or to Withdraw Property. Declarant reserves the right to annex additional property as described in Article 9.

ARTICLE 3 OWNERSHIP AND EASEMENTS

- Nonseverability. The interest of each Owner in the use and benefit of the Common 3.1. Elements and Limited Common Elements is appurtenant to the Lot owned by the Owner. No Lot may be conveyed by the Owner separately from the interest in the Common Elements and Limited Common Elements. Any conveyance of any Lot automatically transfers the right to use the Common Elements and Limited Common Elements without the necessity of express reference in the instrument of conveyance. There may be no judicial partition of the Common Elements and Limited Common Elements. Each Owner, whether by deed, gift, devise, or operation of law, for the Owner's benefit and for the benefit of all other Owners, specifically waives and abandons all rights, interests, and causes of action for judicial partition of any interest in the Common Elements and Limited Common Elements and agrees that no action for judicial partition may be instituted, prosecuted, or reduced to judgment. Ownership interests in the Common Elements and Limited Common Elements and Lots are subject to the easements granted and reserved in this Declaration. Each of the easements granted or reserved herein will be deemed to be established upon the recordation of this Declaration, will thenceforth be deemed to be covenants running with the land for the use and benefit of the Owners and their Lots, and will be superior to all other encumbrances applied against or in favor of any portion of the Property.
- 3.2. Ownership of Lots. Title to each Lot in Quail Reserve will be conveyed in fee to an Owner. If more than one person or entity owns an undivided interest in the same Lot, such persons or entities will constitute one Owner.
- 3.3. Ownership of Common Elements and Limited Common Elements. Tracts C and F on the Plat are Common Elements. The roadway west of SE 21st Avenue that serves as an access easement to Lots 1 and 2, as depicted on the Plat, is a Limited Common Element of Lots 1 and 2. The area identified as Tract D on the Plat contains a stormwater drainage easement that

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benefits the City of Battle Ground. Tract D is a Limited Common Element of Lots 30, 38, 39, 44, and 45. Tract B is a Limited Common Element of Lot 15. Title to any Common Elements and Limited Common Elements of each phase, are conveyed to the Association as described in the Plat, upon the lawful recording of the Plat in Clark County.

- 3.4. Easements. Individual deeds to Lots may, but are not required to, set forth the easements specified in this Article.
- 3.3.1 <u>Easements on Plat</u>. The Common Elements, Limited Common Elements and Lots are subject to the easements and rights-of-way shown on the Plat.
- 3.3.2 <u>Easements for Common Elements</u>. Every Owner has a nonexclusive right and easement of use and enjoyment in and to the Common Elements and an easement in the Common Elements for access to their Lot, which easements are appurtenant to and pass with the title to every Lot.
- 3.3.3 Easements for Limited Common Elements. Each Owner of a Lot that has a Limited Common Element appurtenant to it, has a nonexclusive right and easement of use and enjoyment in and to those Limited Common Elements and an easement in those Limited Common Elements for access to their Lot. Such easements are appurtenant to and pass with the title to the Lot.
- 3.3.4 Easements Reserved by Declarant. While Declarant owns any Lot, Declarant reserves an easement over, under, and across the Common Elements and Limited Common Elements as may be reasonably necessary to discharge Declarant's obligations, exercise special Declarant rights, and/or carry out sales activities necessary or convenient for the sale of Lots. Declarant, for itself and its successors and assigns, hereby retains a right and easement of ingress and egress to, from, over, in, upon, under, and across the Common Elements and Limited Common Elements, and the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incident to the construction of the improvements on the Property in such a way as not to interfere unreasonably with the occupancy, use, enjoyment, or access to an Owner's Lot by the Owner or the Owner's family, tenants, employees, guests, or invitees.
- 3.4.5 <u>Utility, Drainage, and Public Walkway Easements</u>. Notwithstanding anything expressed or implied to the contrary, this Declaration is subject to all easements granted by Declarant for the installation and maintenance of utilities and drainage facilities necessary for the development of Quail Reserve. Tracts C and F and the Lots are subject to public walkway easements as shown on the Plat. No structure, planting, or other material that may damage or interfere with the installation or maintenance of utilities, that may change the direction of flow of drainage channels in the easements, or that may obstruct or retard the flow of water through drainage channels in the easement areas may be placed or permitted to remain within any easement area.
- 3.4.6 <u>Association's Easements</u>. Declarant grants to the Association and its duly authorized agents and representatives such easements over the Lots and Common Elements and Limited Common Elements as are necessary to perform the duties and obligations of the Association, as set forth in this Declaration, the Bylaws, and the Articles, as the same may be

amended.

- 3.4.7 <u>Easement to Governmental Entities</u>. Declarant grants a nonexclusive easement over the Common Elements and Limited Common Elements to all governmental and quasi-governmental entities, agencies, utilities, and their agents for the purposes of performing their duties as utility providers.
- 3.4.8 <u>Perimeter Easement Benefiting Association</u>. Declarant grants to the Association and its duly authorized agents and representatives an easement over that perimeter portion of each Lot that is included within the building setbacks set by applicable ordinances for the purposes of installation, maintenance, repair, and replacement of utilities, communication lines, and drainage. The Board may grant or convey the easements reserved herein to any governmental body or agency, any public or private utility company or provider, or any combination of the foregoing, on a two-thirds vote of the Board members at a duly called and held Board meeting.

ARTICLE 4 LOTS AND HOMES

- 4.1. Lots. There are currently 24 Lots on Phase 1 of the Property, as indicated on the Plat. There are currently twelve (12) Homes built on Phase 1 of the Property. Upon recording of this First Amendment, there will be an additional 21 Lots on Phase 2 of the Property, for a total of 45 Lots, as indicated on the Plat. There is currently one Home built on Lot 37 of Phase 2 of the Property and the Owner of that Home and Lot consents to and voluntarily joins the Association as indicated on Exhibit C. Declarant has reserved the right to add additional land and additional Lots to the Property, as further described in Article 9.
- 4.2. Residential Use. Lots may be used only for residential purposes. Except with the Board's consent or as otherwise allowed by RCW 64.90, no trade, craft, business, profession, commercial activity, or similar activity of any kind may be conducted on any Lot, and no goods, equipment, vehicles, materials, or supplies used in connection with any trade, service, or business may be kept or stored on any Lot. Nothing in this Section 4.2 will be deemed to prohibit (a) activities relating to the sale of residences, (b) the right of Declarant or any contractor or homebuilder to construct residences on any Lot, to store construction materials and equipment on such Lots in the normal course of construction, and to use any residence as a sales office or model home for purposes of sales in Quail Reserve, or (c) the right of the Owner of a Lot to maintain the Owner's personal business or professional library, keep the Owner's personal business or professional records or accounts, handle the Owner's personal business or professional telephone calls, or confer with business or professional associates, clients, or customers in the Owner's residence. The Board will not approve commercial activities otherwise prohibited by this Article unless the Board determines that only normal residential activities would be observable outside of the residence and that the activities would not violate applicable local government ordinances.
- 4.3. Landscaping. Each Owner other than Declarant must obtain the ARC's prior approval of all landscaping plans before commencing installation of any landscaping. Landscaping for all portions of the Lot must commence within 60 days after final building inspection by the local government jurisdiction and must be completed within six months after the inspection. This

- Section 4.3 applies to Lots with finished Homes being held for sale as well as to other Lots. The water charge for irrigation will be borne by the Association if connected to the common water system and borne by the individual Owners if the water system is connected to the individual Home around which landscaping is installed. Owners must irrigate their entire yards to keep lawns green and other landscaping fresh. The Association may irrigate from hose bibs connected to individual Homes of Owners who fail to properly irrigate their yards. If plantings on any Lot have died or are dying because the Owner of the Lot neglected to properly care for and irrigate the plants, or because of other harm to the plants caused by the Owner, the Association may replace the plantings and may assess the Owner for the cost as a Reimbursement Assessment, which may be collected and enforced as any other assessments imposed under the Declaration and Bylaws.
- 4.4. Maintenance of Lots and Homes. Each Owner must maintain the Owner's Lot and all improvements thereon in a clean and attractive condition, in good repair, and in such fashion as not to create a fire hazard. Such maintenance includes, without limitation, maintenance of windows, doors, garage doors, walks, patios, chimneys, and other exterior improvements and glass surfaces. All repainting or re-staining and exterior remodeling will be subject to prior review and approval by the ARC. Each Owner must repair damage caused to the Owner's Lot or improvements located thereon by fire, flood, storm, earthquake, riot, vandalism, or other causes within a reasonable period.
- 4.5. Rental of Homes. An Owner may rent or lease the Owner's Home or a portion thereof, provided that the following conditions are met:
- 4.5.1 Written Rental Agreements Required. The Owner and the tenant enter into a written rental or lease agreement specifying that (a) the tenant is subject to all provisions of the Declaration, Bylaws, and Rules and Regulations, and (b) a failure to comply with any provision of the Declaration, Bylaws, and Rules and Regulations constitutes a default under the rental or lease agreement;
- 4.5.2 <u>Minimum Rental Period</u>. The period of the rental or lease is not less than 30 days; and
- 4.5.3 <u>Tenant Must Be Given Documents</u>. The Owner gives each tenant a copy of the Declaration, Bylaws, and Rules and Regulations.
- 4.6. Animals. No animals, livestock, or poultry of any kind, other than a reasonable number of household pets that are not kept, bred, or raised for commercial purposes and that are reasonably controlled so as not to be a nuisance, may be raised, bred, kept, or permitted within any Lot. Owners whose pets cause any inconvenience or unpleasantness to other Owners must take all steps reasonably necessary to prevent recurrence thereof, and Owners whose pets damage other Owners' Lots or personal property must reimburse the other Owners for reasonable costs incurred by the other Owners in repairing the damage. An Owner must ensure that the Owner's dog is leashed when on the Property and outside of the Owner's Lot. An Owner may be required to remove a pet upon the receipt of the third notice in writing from the Board of a violation of any rule, regulation, or restriction governing pets within the Property.
 - 4.7. Nuisance. No noxious, harmful, or offensive activities may be carried out on any

Lot, Common Element, or Limited Common Element. Nor may anything be done or placed on any Lot, Common Element, or Limited Common Element that interferes with or jeopardizes the enjoyment of, or that is a source of annoyance to, the Owner or other Occupants.

- 4.8. Parking. Parking on the streets, except the Limited Common Elements, shall follow applicable city ordinances, Battle Ground Municipal Code (BGMC) chapter 10.14, as amended from time to time. There shall be no parking on the Limited Common Elements. In addition to the regulations established in the BGMC, parking may be regulated by the Association as provided in the Association Rules and Regulations. Boats, trailers, commercial vehicles, mobile homes, campers, and other recreational vehicles or equipment, regardless of weight, may be parked on Lots, behind a fence. The garage on each Lot may be used to park the occupant's passenger vehicle(s), and for no other purpose.
- 4.9. Vehicles in Disrepair. No Owner may permit any vehicle that is in a state of disrepair or that is not currently licensed to be abandoned or to remain parked on the Common Elements, Limited Common Elements, or on any street on or adjacent to the Property at any time and may not permit them on a Lot for a period longer than 48 hours. A vehicle will be deemed in a "state of disrepair" when the Board reasonably determines that its presence offends the occupants of the neighborhood. If an Owner fails to remove such a vehicle within five days following the date on which the Association mails or delivers to the Owner a notice directing the removal, the Association may have the vehicle removed from the Property and charge the expense of the removal to the Owner as a Reimbursement Assessment, which may be collected and enforced as any other assessments imposed under the Declaration and Bylaws.
- 4.10. Signs. No signs may be erected or maintained on any Lot, except that not more than one "For Sale" or "For Rent" sign placed by the Owner or by a licensed real estate agent, not exceeding 24 inches high and 36 inches long, may be temporarily displayed on any Lot. The restrictions contained in this Section 4.10 do not prohibit the temporary placement of political signs on any Lot by the Owner or Occupant after candidacy or the primary or general election is announced. However, political signs must be removed within three days after the election day pertaining to the subject of the sign. Real estate signs must be removed within three days after the sale closing date. During the period of Declarant Control, Declarant is exempt from this Section 4.10.
- 4.11. Rubbish and Trash. No Lot or part of the Common Elements or Limited Common Elements may be used as a dumping ground for trash or rubbish of any kind. All garbage and other waste must be kept in appropriate containers for proper disposal and must be kept out of public view. Yard rakings, dirt, and other material resulting from landscaping work may not be dumped onto streets, the Common Elements, Limited Common Elements, or any other Lots. If an Owner fails to remove any trash, rubbish, garbage, yard rakings, or any similar materials from any Lot, any streets, the Limited Common Elements, or the Common Elements where deposited by the Owner or the Occupants of the Owner's Lot after notice has been given by the Board to the Owner, the Association may have the materials removed and charge the expense of the removal to the Owner. Such a charge will constitute a Reimbursement Assessment, which may be collected and enforced as any other assessments imposed under the Declaration and Bylaws.

- 4.12. Fences and Hedges. No fences or boundary hedges may be installed or replaced without prior written approval of the ARC.
- 4.13. Service Facilities. Service facilities (garbage containers, fuel tanks, clotheslines, etc.) must be screened so that the facilities are not visible at any time from the street or a neighboring property. All telephone, electrical, cable television, and other utility installations must be placed underground in conformance with applicable law and subject to approval by the ARC.
- 4.14. Antennas and Satellite Dishes. Except as otherwise provided by law or this Article, no exterior antennas, satellite dishes, microwave, aerial, tower, or other devices for the transmission or reception of television, radio, or other forms of sound or electromagnetic radiation may be erected, constructed, or placed on any Lot. With prior written consent from the ARC, exterior satellite dishes or antennas with a surface diameter of one meter or less and antennas designed to receive television broadcast signals only may be placed on any Lot if they are not visible from the street and are screened from neighboring Lots. The Board or ARC may adopt reasonable rules and regulations governing the installation, safety, placement, and screening of such antennas, satellite dishes, and other transmission devices. Such rules may not unreasonably delay or increase the cost of installation, maintenance, or use or preclude reception of a signal of acceptable quality. Such rules may prohibit installation of exterior satellite dishes or antennas if signals of acceptable quality can be received by placing antennas inside a Home without causing an unreasonable delay or cost increase. The foregoing restriction and the authority of the ARC in this matter are subject to any regulations issued by the Federal Communications Commission or any other applicable governmental authority.
- 4.15. Exterior Lighting or Noise-Making Devices. Except with the consent of the ARC, no exterior lighting or noise-making devices, other than security and fire alarms, may be installed or maintained on any Lot.
- 4.16. Basketball Hoops. No Owner may install a permanent basketball hoop on any Lot without the ARC's prior approval. The ARC may, in its discretion, prohibit such basketball hoops or impose permitted hours of use for such basketball hoops. Basketball hoops are prohibited in the Common Elements, Limited Common Elements, and on any Lot if the area of play is intended to be the street.
- 4.17. Grades, Slopes, and Drainage. There may be no interference with the established drainage patterns or systems over or through any Lot that affects any other Lot or Common Element, Limited Common Element, or any real property outside the Property unless adequate alternative provision is made for proper drainage and is approved by the ARC before any such work. The term "established drainage" means the drainage swales, conduits, inlets, and outlets designed and constructed by Declarant.
- 4.18. Tree-Cutting Restrictions. No tree the diameter of which is six inches or more may be removed from any Lot without the prior approval of the ARC unless it is diseased, poses an immediate danger to persons or property, or is within 10 feet of an existing or proposed building or five feet of a paved surface.
 - 4.19. Damage or Destruction to Home or Lot. If all or any portion of a Lot or Home is

damaged by fire or other casualty, the Owner must either (a) restore the damaged improvements or (b) remove all damaged improvements, including foundations, and leave the Lot in a clean and safe condition. Any restoration proceeding under (a) in this Section 4.19 must be performed so that the improvements are in substantially the same condition that they were before the damage, unless the Owner complies with the provisions of Article 6 to seek a change. The Owner must commence such work within 60 days after the damage occurs and must complete the work within six months thereafter.

- 4.20. Right of Maintenance and Entry by Association. If an Owner fails to perform maintenance, repair, or both, that the Owner is obligated to perform under this Declaration, and if the Board determines, after notice, that the maintenance, repair, or both is necessary to preserve the attractiveness, quality, nature, value, or any combination thereof of the Property, the Board may cause the maintenance, repair, or both to be performed and may enter any Lot whenever entry is necessary in connection with the performance thereof. An Owner may request, and the Board will conduct, a hearing on the matter. The Owner's request must be in writing delivered within five days after receipt of the notice, and the hearing must be conducted within not less than five days nor more than 20 days after the request for a hearing is received. Entry must be made with as little inconvenience to an Owner as practicable and only after advance written notice of not less than 48 hours, except in emergency situations. The costs of such maintenance, repair, or both are chargeable to the Owner of the Lot as a Reimbursement Assessment, which may be collected and enforced as any other assessments authorized hereunder.
- 4.21. Association Rules and Regulations. The Board from time to time may adopt, modify, or revoke the Rules and Regulations governing the conduct of persons and the operation and the peaceful and orderly use and enjoyment of the Property and the administration and operation of the Association. The Board shall notify each Owner of its intent to adopt, amend, or repeal a Rule or Regulation and provide a copy of each amendment, modification, or revocation with a proposed date upon which the Board will act on it after considering comments from Owners. Every rule must be reasonable. Subject to the Board's approval or consent, the ARC may adopt rules and regulations pertinent to its functions.
- 4.22. Ordinances and Regulations. The standards and restrictions set forth in this Article 4 are the minimum required. To the extent that local governmental ordinances and regulations are more restrictive or provide for a higher or different standard, the local governmental ordinances and regulations will prevail.
- 4.23. Temporary Structures. No structure of a temporary character or any trailer, basement, tent, shack, garage, barn, or other outbuilding may be used on any Lot as a residence, either temporarily or permanently.

ARTICLE 5 COMMON ELEMENTS

5.1. Use. Use of the Common Elements and Limited Common Elements is subject to the provisions of the Declaration, Bylaws, Articles, and the Rules and Regulations adopted by the Board. There must be no obstruction of any part of the Common Elements or Limited Common

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Elements. Nothing may be stored or kept in the Common Elements or Limited Common Elements without the prior written consent of the Board. No alterations or additions to the Common Elements will be permitted without the prior written consent of the Board. The Common Elements owned by the Association are defined in Section 1.6, above. The path or trail that runs through Tracts C and F on the Plat is open to the public and subject to an easement in favor of the public for that use. The Limited Common Elements administered by the Association consist of the street running west of SE 21st Avenue, servicing Lots 1 and 2 and the area identified as Tract D on the Plat. The Limited Common Elements are intended to be used and enjoyed solely by the Owners benefitted by them, as defined in section 3.3, and their guests and invitees. The Association may post and maintain "No Parking" signs on the Common Elements and the Limited Common Elements.

5.2 Maintenance.

- 5.2.1 <u>Common Elements</u>. The Association will be responsible for maintenance, repair, replacement, and upkeep of the Common Elements, except where such maintenance is provided by private agreement, Clark County, a government agency, or a utility company. The Association must keep the Common Elements in good condition and repair, provide for all necessary services, and cause all acts to be done that may be necessary or proper to maintain the Common Elements.
- 5.2.1 <u>Limited Common Elements</u>. The Owner(s) of the Lots benefitted from a Limited Common Element shall be responsible for maintenance, repair, replacement, and upkeep of the Limited Common Element. Such Owner(s) must keep the Limited Common Element in good condition and repair, provide for all necessary services, and cause all acts to be done that may be necessary or proper to maintain the Limited Common Element.
 - 5.2.1.1 Votes. Each benefitted Lot shall have an equal vote to all other benefitted Lot(s) related to repair, maintenance, and upkeep of that Limited Common Element. If any Lot is owned by more than one person, all of the owners of that Lot are collectively be referred to here as the "Owner" of that Lot. All of the owners of a Lot, as a group, are entitled to one collective vote as to Maintenance decisions contemplated by this Agreement and a vote cast or opinion, assent, or consent conveyed by a representative of the group to the other Owner shall be considered a binding vote, opinion, assent, or consent of the Owner. Each member of the group shall be jointly and severally responsible for paying the Lot's share of the Maintenance expenses for the Limited Common Element from which it benefits.
 - 5.2.1.2 Cost Sharing. Each benefitted Lot shall pay its proportionate share of the expenses related to repair, maintenance, and upkeep (collectively, "Maintenance") for the Limited Common Element from which it benefits. Benefitted Owner(s) shall pay the Lot's share of the expenses within thirty (30) days of receiving the estimate or invoice. If a benefitted Owner or agent of a benefitted Owner personally performs or procures Maintenance without the approval of the other benefitted Owner(s) prior to performing such work, the performing/procuring Owner shall be liable for the entire cost thereof, unless such work is deemed an emergency. Any damage to the Limited Common Element due to new construction

or other damages caused by any Owner (including the Owner's guests, licensees, & invitees) shall be that Owner's responsibility to timely repair the Limited Common Element at the Owner's sole expense.

- 5.2.1.3 Condition Assessment. The benefitted Owner(s) are responsible for continually monitoring and assessing the condition of the Limited Common Element and securing maintenance of it, as needed. Any of the benefitted Owner(s) may request a professional assessment of and/or estimate for maintenance for the Limited Common Element at any time. If the professional requires payment for the assessment or estimate, the requesting Owner shall notify the other benefitted Owner(s) of the estimated expense and obtain majority agreement from the benefitted Owner(s) to incur the estimated expense prior to committing to the expense.
- 5.2.1.4 Emergency Repairs. If any benefitted Owner is made aware of emergency safety conditions on a Limited Common Element, the benefitted Owner will attempt to reach the other benefitted Owner(s) to coordinate the necessary repairs immediately. If the other benefitted Owner(s) cannot be reached, the acting Owner has the authority to make emergency repairs as needed. In such cases, the acting Owner(s) will notify the other benefitted Owner(s) of the repairs, the cost, and the amount due from the Owner(s), as well as the reasons for making the emergency repairs.
- 5.2.1.5 Insurance and Indemnity. The benefitted Owners shall reasonably insure their use of the Limited Common Element. The benefitted Owners shall indemnify and defend each other for all claims, demands, costs and expenses (including attorney fees and costs) related to their respective use of and efforts to maintain the Limited Common Elements, including third party injuries.
- 5.2.1.6 Association Authority. The Association may enforce the terms of this Amendment and require compliance with applicable laws, regulations, the Declaration, and any applicable Association rules. If the benefitted Owners do not comply with Association enforcement efforts, the Association may perform or contract to perform Maintenance to the Limited Common Elements and bill the work to the benefitted Owner(s). The costs must be fully paid in accordance with the Association Declaration, Bylaws, and rules. The Association may also make emergency repairs in accordance with section 5.2.1.4 above, as if it were a benefitted Owner.
- 5.2.2 <u>Private Drive Maintenance</u>. The Limited Common Element benefitting Lots 1 and 2 shall be constructed and maintained in accordance with the Battle Ground's private drive/road ordinance(s). Maintenance will be undertaken and made whenever necessary to maintain the private drive in good operating condition, in accordance with applicable laws, regulations, and

the Declaration, and to ensure safe access to and from Lots 1 and 2 by emergency and other vehicles at all times. Any dispute between Lots 1 and 2 about the appropriateness or cost of a proposed expense for the private drive shall be heard and resolved by the Board. The private drive shall be snowplowed, as needed, to permit year-round access. For the safety of the Owners, residents, guests and invitees, and as required by the Declaration, no machinery, trailers, vehicles or other property may be stored or parked upon the private drive at any time.

- 5.3 Alterations. Only the Association may construct, reconstruct, or alter any improvement located on the Common Elements. A proposal for any construction, alteration, maintenance, or repair of any such improvement may be made at any Board meeting. The Board may adopt a proposal, subject to the limitations contained in the Bylaws and this Declaration.
- 5.4 **Funding.** Expenditures for replacement or major repairs to an existing improvement for which a reserve has been collected will be made from the Reserve Account. Regular maintenance, repair, and operating expenses for Common Elements will be funded by annual assessments as provided in Article 10. As provided in Article 10, the Board may levy a special assessment to fund any construction, alteration, repair, or maintenance of an improvement (or any other portions of the Common Elements) for which no reserve has been collected or for which the Reserve Account is insufficient to cover the cost of the proposed construction, alteration, repair, or maintenance.
- 5.5 **Plantings.** All landscaping or plantings on the Common Elements must be maintained and cared for in a manner that is consistent with the ARC's original approval. Natural landscaping is appropriate if it does not present a safety or health hazard. Weeds and diseased plants, trees, groundcover, or shrubs shall be removed and replaced, as reasonably necessary.
- 5.6 Condemnation. If all or any portion of the Common Elements or Limited Common Elements is taken for any public or quasi-public use under any statute, by right of eminent domain, or by purchase in lieu of eminent domain, the Board will receive and expend the entire award in a manner that, in the Board's discretion, is in the best interest of the Association and the Owners. The Association must represent the interest of all Owners in any negotiations, suit, action, or settlement in connection with such matters.
- 5.7 **Damage or Destruction**. If all or any portion of the Common Elements or Limited Common Elements is damaged or destroyed by an Owner or any of the Owner's guests, Occupants, tenants, licensees, agents, or members of the Owner's family in a manner that would subject the Owner to liability for the damage under Washington law, the Owner hereby authorizes the Association to repair the damage. The Association must repair the damage and restore the area in workmanlike manner as originally constituted or as may be modified or altered subsequently by the Association in the discretion of the Board. Reasonable costs incurred in connection with effecting the repairs will become a special assessment on the Lot(s) and against the Owner(s) who caused, contributed to, or is responsible for the damage.
- 5.2. Power of Association to Sell, Dedicate, or Transfer. The Association may sell, dedicate, transfer, grant a security interest in, or grant an easement for installation and maintenance of utilities or for similar purposes with respect to, any portion of the Common Elements.

ARTICLE 6 ARCHITECTURAL REVIEW COMMITTEE

- 6.1. Architectural Review. The ARC, from time to time and in its sole discretion, may adopt architectural, construction, and design criteria, rules, regulations, and guidelines and aesthetic standards ("Architectural Standards"). If the ARC establishes Architectural Standards, the ARC will, from time to time and in its sole discretion, adopt and publish procedures for approval of applications and rules to enforce the Architectural Standards, including a reasonable time within which the Association must act after an application is submitted and the consequences of a failure to act, that supplement the provisions provided in this Article and in the Bylaws.
- 6.2. Minimum Standards. This Article's purpose is to ensure quality of workmanship and materials and harmony between exterior design and the existing improvements and landscaping and between location and topography and finished-grade elevations. The ARC is not responsible for determining compliance with structural and building codes, solar ordinances, zoning codes, or other governmental regulations, all of which are the applicant's responsibility. All houses on the Property shall be single story or shall have a master bedroom or master suite on the first floor. All houses shall have no less than 1500 square feet of living space and no more than 2800 square feet of living space.
- 6.3. Approval Required First. No improvement may be commenced, erected, placed, or materially altered on any Lot until the construction plans and specifications showing the nature, shape, heights, materials, colors, and proposed location of the improvement have been submitted to and approved in writing by the ARC.
- 6.4. Appointment and Removal. Declarant reserves the right to appoint all members of the ARC and all replacements thereto until Quail Reserve is one hundred percent (100%) built out. After build-out, Declarant will assign to the Board the right to appoint and remove members of the ARC.
- 6.5. Declarant and Successor Exempt from ARC. The Declarant and its successor to all the unsold Lots are exempt from the requirement to submit to and have plans approved by the ARC. However, the Declarant and its successor are not exempt from the provisions of Article 4 of this Declaration, except as set forth in Section 4.10.

ARTICLE 7 MEMBERSHIP IN THE ASSOCIATION

7.1. Members. Each Owner is a member of the Association. Membership in the Association is appurtenant to, and may not be separated from, ownership of any Lot. Transfer of ownership of a Lot automatically transfers membership in the Association. Without any other act or acknowledgment, Occupants and Owners will be governed and controlled by this Declaration, the Articles, Bylaws, and the Rules and Regulations of the Association and any amendments thereto.

- 7.2. Voting Rights. Each Owner, including Declarant, is entitled to one vote for each Lot owned with respect to all matters on which Owners are entitled to vote. The total number of votes will be equal to the total number of Lots subject to this Declaration. When more than one person or entity owns a Lot, the vote for the Lot may be cast as they collectively determine, but only one vote per Lot shall be cast. In no event will fractional voting be allowed. Fractional or split votes will be disregarded, except for purposes of determining a quorum.
- 7.3. Procedure. All meetings of the Association, the Board, the ARC, and other Association committees will be conducted with such rules of order as may from time to time be adopted by the Board. Unless other rules of order are adopted by a resolution of the Board, Robert's Rules of Order published by the Robert's Rules Association will apply. Notwithstanding which rules of order are adopted, the President will be entitled to vote on all matters, not merely to break a tie vote. A tie vote does not constitute a majority or approval of any motion or resolution.

ARTICLE 8 DECLARANT CONTROL

- 8.1. Declarant-Controlled Board and Officers. Notwithstanding anything to the contrary in Article 2 or the Bylaws, Declarant hereby reserves administrative control of the Association prior to the Transition Meeting. During the period of Declarant Control, Declarant, in its sole discretion, has the right to appoint and remove members of the board of directors of the Association or any Master Association. This Declarant-controlled Board will manage the affairs of the Association and be vested with all powers and rights of the Board until the Transition Meeting (as hereinafter defined). The Declarant-controlled Board will elect officers. During the period of Declarant Control, the Board must meet at least four times a year and at least one of those meetings must be held at the Property or a place convenient to the Property.
- 8.1.1 No later than sixty days after conveyance of twenty-five percent of the anticipated Lots to owners other than Declarant, at least one member of the Board, constituting at least twenty-five percent of the total number of Board members must be elected by owners other than Declarant.
- 8.1.2 No later than sixty days after conveyance of fifty percent of the anticipated Lots to Owners other than Declarant, at least thirty-three and one third percent of the total number of Board members must be elected by owners other than Declarant.
- 8.2. Voluntarily Surrender. If Declarant voluntarily surrenders the right to appoint and remove officers and board members, Declarant may require specified actions of the Association or Board to be approved by Declarant before they become effective.
- 8.2.1 Any such requirement shall be described in a recorded amendment to the Declaration, executed by Declarant.
- 8.2.2 Declarant's failure to veto or approve such proposed action within thirty days after receipt of written notice of the proposed action shall be deemed approval by Declarant.

8.3. Transition Meeting.

- 8.3.1 Declarant must call a meeting for the purposes of turning over administrative control of the Association from Declarant to the other Association members within 90 days after the earlier of the following dates:
 - 8.3.1.1. Ten years after the date on which this Declaration is recorded;
 - 8.3.1.2. Sixty days after conveyance of seventy-five percent of the units that may be created to Owners other than Declarant;
 - 8.3.1.3. Two years after the last conveyance of a Lot, except to a dealer;
 - 8.3.1.4. Two years after any right to add new Lots was last exercised; or
 - 8.3.1.5. The day Declarant records an amendment to the Declaration surrendering all rights to appoint and remove officers and board members.
- 8.3.2 <u>Notice</u>. Declarant must give notice of the Transition Meeting to each Owner as provided in the Bylaws. If Declarant does not call the Transition Meeting required under this Section 8.3.2, any Owner may do so.
- 8.3.3 <u>Election</u>. At the Transition Meeting, the Owners must elect a board in accordance with RCW 64.90.410(2).
- 8.3.4 <u>Transfer</u>. Delivery of the required documents and transfer of Association Property shall occur no later than thirty days after the Transition Meeting and in accordance with RCW 64.90.420 and .425. On the date of the Transition Meeting, if not accomplished sooner, any real estate that was subject to development rights shall remain property of the Declarant or the Declarant's successor in interest, subject to future development upon obtaining approval of the ARC.
- 8.4. Post-Transition Board Members and Officers. Effective as of the date of the Transition Meeting, at least a majority of the Board members must be Owners. After the Transition Meeting, the Declarant may only appoint or elect a person or itself as a voting, ex officio or nonvoting board member, by submitting a vote as an Owner. All Board meetings must be at the Property or at a place convenient to the Property, unless the Owners amend the Bylaws to vary the location for meetings.

ARTICLE 9 SPECIAL DECLARANT RIGHTS

9.1. General. Declarant is undertaking the work of developing Lots and other improvements within Quail Reserve. The completion of the development work and the marketing and sale of the Lots is essential to the establishment and welfare of the Property as a residential community. Until the Homes on all Lots on the Property have been constructed, fully completed, and sold, and the Transition Meeting described in Article 8 has occurred, with respect to the Common Elements and each Lot on the Property, Declarant has the special rights set forth in RCW 64.90.010(51) this Article 9.

- 9.2 Further Development. Declarant has created 24 Lots in Phase 1 as described in the Plat. Declarant will create an additional 21 Lots in Phase 2, for a total of 45 Lots, upon the recording of this First Amendment, as described in the Plat. Declarant reserves the right to subdivide any Lot, as long as any such subdivision does not result in more than sixty (60) Lots on the Property. Declarant and its affiliates have built twelve (12) Homes on the Property as of the date of this recording.
- 9.2.1 Additional Real Estate. Declarant reserves the right to add unspecified real estate to Quail Reserve by amending the Declaration at any time during the period specified in Section 9.6. The amount of unspecified real estate added to Quail Reserve may not exceed ten percent of the total real estate described in the Plat. Declarant reserves the right to add phase(s) of development to Quail Reserve during the period of Declarant Control by amending the Declaration and may petition the Board to add phase(s) of development to Quail Reserve after the period of Declarant Control.
- 9.2.2 <u>Merge or Consolidate.</u> Declarant reserves the right to merge or consolidate Quail Reserve with another plat community.
- 9.2.3 Additional Lots and Homes. Declarant reserves the right to complete any improvements indicated on the map or described in this Declaration or the public offering statement. Declarant reserves the right to exercise any development right and create additional Lots and Homes on the Property, not to exceed a total of twenty-four (24) Lots and twenty-four (24) Homes in phase 1 and 36 Lots and 36 Homes in Phase 2, for a total not to exceed 60 Lots on the Property. If additional phase(s) are developed, the total of Lots and Homes in all phases shall not exceed sixty (60) Lots and sixty (60) Homes. No assurances are being made regarding the boundaries of any Lots, phases of development, or the timing of development. Declarant does not agree to build any improvements not described in this Declaration.
- 9.2.4 <u>Inferences from Action or Inaction</u>. The exercise of any development right does not trigger or require the exercise of any other development right. No assurances are being made that any future development will, in fact, occur. When all development rights have been exercised or such development rights have expired, then real estate that was subject to such development rights shall remain property of the Declarant or the Declarant's successor in interest, subject to future development upon obtaining approval of the ARC.
- 9.3 Marketing Rights. Declarant has the right to maintain a sales office and model on one or more of the Lots that Declarant owns. Declarant and prospective purchasers and their agents have the right to use and occupy the sales office and models during reasonable hours any day of the week. Declarant may maintain a reasonable number of "For Sale" signs at reasonable locations on the Property, including, without limitation, on the Common Elements and Limited Common Elements.
- 9.4 **Declarant Easements**. Declarant reserves easements over the Property as more fully described in Article 3.
- 9.5 Meetings, Committees, and Records. Declarant reserves the right to attend meetings of the Owners and, except during an executive session in which Declarant would

otherwise be excluded, meetings of the Board. Declarant reserves the right to appoint all members of the ARC and all replacements thereto until Quail Reserve is one hundred percent (100%) built out or the expiration of Special Declarant Rights, whichever occurs first. Declarant reserves the right to establish other committees of the Association during the period of Declarant control. Declarant reserves the right to access the records of the Association to the same extent as an Owner.

- 9.6 **Expiration**. Declarant's special rights shall expire twenty (20) years after the Declaration is recorded and/or the day Declarant records an amendment to the Declaration surrendering all Special Declarant Rights, whichever occurs first.
- 9.7 **Transfer**. Transfer or Extinguishment of Special Declarant Rights shall be accomplished in accordance with RCW 64.90.425.

ARTICLE 10 FUNDS AND ASSESSMENTS

- 10.1. Purpose of Assessments; Expenses. The assessments levied by the Association will be used exclusively to promote the recreation, health, safety, aesthetics, and welfare of the Owners and Occupants of Quail Reserve, for the improvement, operation, and maintenance of the, for the administration and operation of the Association, and for property and liability insurance.
- 10.2 Basis and Allocation of Annual Assessment. Expenses associated with the operation, maintenance, repair, and replacement of and insurance for the Common Elements will be assessed against the Owners of Lots 1 through 45. Expenses associated with the operation of the Association must be paid by the Association and assessed against the owners of Lots 1 through 45, as a common expense. Except for Limited Common Element expenses, the total amount in the budget will be charged against all Lots in an amount equal to the Lot's fractional interest in the Association as an annual assessment. Limited Common Element expenses shall be charged against all Lots that benefit from the Limited Common Element, in an amount equal to the Lot's fractional interest in the Limited Common Element. The Board may adjust common expense liability for the costs of insurance in proportion to risk and the costs of common element utilities in proportion to Owners' respective usage of those utilities as those common expenses are incurred and such risk and usage imbalances are identified.
 - 10.3. Covenants to Pay. Declarant and each Owner covenant and agree to pay the Association the assessments and any additional charges levied under this Declaration or the Bylaws. All assessments for operating expenses, repairs and replacement, and reserves will be allocated among the Lots and their Owners.

10.4. Management of Funds.

- 10.4.1 <u>Funds Held in Trust</u>. The assessments collected by the Association will be held by the Association for and on behalf of each Owner and may be used solely as set forth in Section 10.1. Upon the sale or transfer of any Lot, the Owner's interest in such funds will be deemed automatically transferred to the successor in interest to the Owner.
 - 10.4.2 Offsets. No offsets against any assessment will be permitted for any reason,

including, without limitation, any claim that the Association is not properly discharging its duties.

- 10.4.3 <u>Right to Profits</u>. Association profits, if any, will be the property of the Association and will be contributed to the Current Operating Account.
- 10.5. Commencement of Assessments. The amount and date of commencement of the initial annual assessment, including the assessment of reserves, if any, will be determined by Declarant. Once assessments begin, all Lots will be assessed in accordance with their ownership interest, including Lots owned by the Declarant, affiliates of the Declarant, or Declarant's successor in interest. Declarant may delay commencement of assessments for Lots that may be added pursuant to reserve development rights until those Lots are, in fact, added. Declarant must pay all common expenses of the Association until the Lots are assessed for common expenses. Declarant is responsible for all expenses in connection with real estate subject to development rights.
- 10.6. Working Capital. Upon closing of the first sale of each Lot, or the first occupancy of a Lot (whichever occurs first), the Association may assess and collect a working capital contribution from the Lot owner/tenant in the amount equal to one-sixth of the estimated annual assessment for the Lot. This working capital contribution may be collected prior to common assessments. This contribution may not be used to defray expenses of the Declarant.
- 10.7. Borrowing. The Board may borrow funds in its discretion. If the loan is to be secured by an assignment of the Association's right to receive future income, the Board must provide notice to all Owners and call a meeting at which the Owners may ratify or nullify the proposed borrowing. At the meeting, whether or not a quorum is present, the Owners holding two-thirds of the votes in the Association may reject the proposal to borrow funds.

ARTICLE 11 GENERAL PROVISIONS

- 11.1. Records. The Board must preserve and maintain minutes of the meetings of the Association, the Board, and any committees. The Board must also keep detailed and accurate financial records, including a budget, individual assessment accounts of Owners, the balance sheet, and income and expense statements, and other appropriate accounting records within the last seven years. The Board must preserve and maintain all other records required by RCW 64.90.495, as amended from time to time. All such records, collectively, shall be considered "Association records." Individual assessment accounts must designate the name and address of the Owner or Owners of the Lot, the amount of each assessment as it becomes due, the amounts paid on the account, and the balance due on the assessments. Association records must be maintained in the State of Washington and reasonably available for review and copying by the Owners, holders of mortgages on the Lots or Homes, and their respective authorized agents. A reasonable charge may be imposed by the Association for providing copies and for supervising an inspection of Association records.
- 11.2. Indemnification of Directors, Officers, Employees, and Agents. The Association shall indemnify any Director, officer, employee, or agent who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by the Association) by reason of the

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fact that the person is or was a Director, officer, employee, or agent of the Association or is or was serving at the request of the Association as a Director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with the suit, action, or proceeding if the person acted in good faith and in a manner that the person reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceedings, had no reasonable cause to believe that the person's conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or plea of nolo contendere or its equivalent, will not of itself create a presumption that a person did not act in good faith and in a manner that the person reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceedings, had reasonable cause to believe that the person's conduct was unlawful. Payment under this clause may be made during the pendency of the claim, action, suit, or proceeding as and when incurred, subject only to the right of the Association to reimbursement of the payment from the person, should it be proven later that the person had no right to the payments. All persons who are ultimately held liable for their actions on behalf of the Association as a Director, officer, employee, or agent will have a right of contribution over and against all other Directors, officers, employees, or agents and members of the Association who participated with or benefited from the acts that created the liability.

- 11.3. Enforcement; Attorney Fees. The Association, the Owners, and any mortgagee holding an interest in a Lot have the right to enforce all the covenants, conditions, restrictions, reservations, easements, liens, and charges now or hereinafter imposed by any of the provisions of this Declaration as may pertain specifically to such parties or Owners by any proceeding at law or in equity. Failure by either the Association or any Owner or mortgagee to enforce any covenant, condition, or restriction contained herein will in no event be deemed a waiver of their right to do so thereafter. If suit or action is commenced to enforce the terms and provisions of this Declaration (including without limitations, suit or action for the collection of assessments), the prevailing party will be entitled to its actual administrative costs incurred because of a matter or event that is the subject of the suit or action, attorney fees and costs in the suit or action to be fixed by the trial court, and in the event of an appeal, the cost of the appeal, together with reasonable attorney fees, to be set by the appellate court. In addition, the Association will be entitled to its reasonable attorney fees and costs incurred in any enforcement activity or to collect delinquent assessments, together with the Association's actual administrative costs, whether or not suit or action is filed.
- 11.4. Severability. Invalidation of any one of these covenants, conditions, or restrictions by judgment or court order will not affect the other provisions hereof and the same will remain in full force and effect.
- 11.5. Rights and Obligations of Mortgagees Relating to Maintenance. The record holder of any Mortgage on any Lot who becomes the record Owner of such Lot through foreclosure, judicial sale, deed-in-lieu of foreclosure, or by any other legal means, shall be considered an Owner for purposes of this Declaration and shall have all the rights and obligations of Owners hereunder.
- 11.6. Duration. The covenants, conditions, and restrictions of this Declaration run with and bind the land for a term of 35 years from the date of this Declaration being recorded, after

which time they will be automatically extended for successive periods of 10 years, unless rescinded by a vote of at least seventy-five percent (75%) of the Owners and ninety percent (90%) of the first mortgagees.

11.7. Amendment.

11.7.1 <u>Direct Amendment Rights</u>. Declarant may unilaterally amend this Declaration to reallocate Limited Common Elements, exercise development rights, and to surrender all rights in accordance with RCW 64.90.240(2), .245(12), .250, and .415(2)(d), as amended from time to time. The Association may amend this Declaration to address issues created by an eminent domain action, to accommodate boundary line adjustments between Lots, and to subdivide and combine Lots in accordance with RCW 64.80.030, .240(3), .260(1), and .265(2). Owners may amend this Declaration to reallocate Limited Common Elements, adjust boundaries between units, and combine units, in accordance with RCW 64.90.240(2), .260(1), and .265(2).

11.7.2 Development Rights Amendments.

- 11.7.2.1. A provision in the Declaration that creates special declarant rights that have not expired may not be amended without the consent of Declarant.
- 11.7.2.2. Declarant may amend the Declaration at any time during the period specified in Article 9 to add additional real estate to the Subdivision without describing the location of that real estate in the original Declaration. The amount of real estate added to the plat community pursuant to this Article may not exceed ten percent of the real estate described in RCW 64.90.225(1)(b) together with any real estate that is described in the Declaration for addition to the plat community or miscellaneous community, and the Declarant may not increase the number of units in the plat community or miscellaneous community beyond the number stated in the original Declaration pursuant to RCW 64.90.225(1)(c).
- 11.7.2.3. Persons entitled to cast at least eighty percent of the votes in the Association, including eighty percent of the votes allocated to Owners other than the Declarant, may agree to extend the time limits specified in the Declaration to exercise reserved development rights and may create additional development rights. Such an agreement is effective thirty days after an amendment to the Declaration reflecting the terms of the agreement is recorded, unless all persons holding the affected special declarant rights, or security interests in those rights, record a written objection within the thirty-day period. In that case, the amendment is void. If the persons holding the affected special declarant rights or security interests in those rights records a consent at the time the amendment is recorded, then the amendment is effective when recorded.

11.7.3 Amendment Rights with Notice.

- 11.7.3.1. Upon giving thirty-day notice to Owners, Declarant may amend the Declaration and other governing documents to correct mathematical mistakes, inconsistencies, or scrivener's errors or to clarify ambiguities with respect to objectively verifiable facts. Any such amendment may not materially reduce the obligations of Declarant if the mistake, inconsistency, error or ambiguity had not occurred.
- 11.7.3.2. Upon thirty-day notice to Owners, the Association may, upon a vote of two-thirds of the Board, amend the Declaration to:

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- 11.7.3.2.1. Correct the governing documents as provided in Section 11.7.3.1 above,
- 11.7.3.2.2. Remove language forbidding or restricting rights of individuals based on race, creed, color, sex, national origin; those with sensory, mental or physical disabilities; families with children; or any other legally protected classification; from the Declaration;
- 11.7.3.2.3. Remove language that purports to limit the power of the Association to deal with the Declarant beyond the limit authorized in RCW 64.90.405(1)(u); and
- 11.7.3.2.4. Remove and otherwise amend any other language that purports to limit the rights of the Association or Owners in direct conflict with RCW chapter 64.90.
- 11.7.4 All Other Amendments. In all other respects, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing seventy-five percent (75%) of the total vote of the Association.
- 11.7.5 Except as expressly allowed by RCW chapter 64.90 and this Declaration, an amendment may not create or increase special declarant rights, increase the number of Lots, change the boundaries of any Lot or change the allocated interests of a Lot without the consent of Owners to which at least ninety percent of the votes in the Association are allocated, including the consent of the Owner affected by the amendment.
- 11.7.6 Any amendment must be executed and certified as provided by law and must be recorded with the Auditor of Clark County, Washington, to be effective. No amendment of this Declaration will affect an amendment of the Bylaws or Articles without complying with the provisions of those documents and the Washington Nonprofit Corporation Act.
- 11.7.7 In the absence of fraud, no action to challenge the validity of an amendment may be brought more than one year after the amendment is recorded.
- 11.8. Owner Consent. If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.
 - 11.9. **Resolution of Document Conflicts**. In the event of a conflict among any of the provisions in the documents governing Quail Reserve, the conflict must be resolved by looking to the following documents in the order shown below:
 - 1. Declaration;
 - 2. Articles;
 - 3. Bylaws;
 - 4. Rules and Regulations.

IN WITNESS WHEREOF, Declarant has executed this instrument this 10th day of Declarant, 2019.

By:

Jon Girdd, Manager

STATE OF WASHINGTON)
) ss.
County of Clark)

I certify that Jon Girod appeared personally before me and that I know or have satisfactory evidence that he signed this instrument as the Manager of Quail Reserve, LLC, a Washington limited liability company, and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.

BRANDY MCELLRATH
Notary Public
State of Washington
Commission # 39087

Notary Public for Washington

My commission expires: <u>19</u>

Amended and Restated Declarations, Covenants, Conditions and Restrictions - 23 4847-8212-4183, v. 1

EXHIBIT A

PHASE 1 PROPERTY DESCRIPTION



AKS ENGINEERING & FORESTRY, LLC 9600 NE 125th Avenue, Suite 2520, Vancouver, WA 98682 P: (360) 882-0419 F: (360) 882-0426

OFFICES IN: VANCOUVER, WA - TUALATIN, OR - KEIZER, OR - BEND, OR

PERIMETER LEGAL DESCRIPTION FOR QUAIL RESERVE 1

Being a portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, Clark County, described as follows:

BEGINNING at a ½" iron rod marking the Southwest corner of the Northwest quarter of the Southwest quarter of Section 1, as shown in Book 3 of Surveys, Page 82, Clark County Auditor's records:

Thence North 00° 05′ 19″ East, along the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 723.42 feet to a ½″ iron rod (Survey 3-82) marking the Southwest corner of the Gustafson Tract as described under the Clark County Auditor's file number 9111010031;

Thence South 89° 38′ 33″ East, along the South line of said Gustafson Tract, also being along the South line of the Ollieu Tract as described under the Clark County Auditor's file number 5075884, for a distance of 413.00 feet;

Thence South 00° 05′ 19" West, parallel with the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 324.00 feet;

Thence North 89° 39' 17" West, for a distance of 94.25 feet;

Thence South 00° 20′ 43" West, for a distance of 46.00 feet;

Thence South 89° 39' 17" East, for a distance of 94.46 feet;

Thence South 00° 05' 19" West, for a distance of 98.74 feet:

Thence South 40° 13' 13" East, for a distance of 293.26 feet;

Thence South 07° 33′ 34″ East, for a distance of 32.13 feet to the South line of the Northwest quarter of the Southwest quarter of Section 1;

Thence North 89° 39′ 07″ West, along the South line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 607.00 feet to the **POINT OF BEGINNING**.



June 7, 2018 Page 1of 2 Contains approximately 7.38 acres.

SURVEYOR'S CERTIFICATE

I, Carl A. Beseda, hereby declare that the preceding Legal Description of the perimeter of this Plat to the best of my knowledge and belief, and that it was reviewed with the care of a prydent surveyor in this locality.

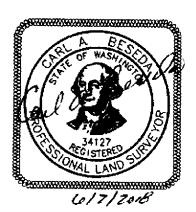


EXHIBIT B

PHASE 2 PROPERTY DESCRIPTION



AKS ENGINEERING & FORESTRY, LLC

9600 NE 126th Avenue, Suite 2520, Vancouver, WA 98682 P: (360) 882-0419 F: (360) 882-0426

OFFICES IN: VANCOUVER, WA - TUALATIN, OR - KEIZER, OR - BEND, OR

PERIMETER LEGAL DESCRIPTION FOR QUAIL RESERVE 2

Being a portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, City of Battle Ground, Clark County, described as follows:

COMMENCING at a ½" iron rod marking the Southwest corner of the Northwest quarter of the Southwest quarter of Section 1, as shown in Book 3 of Surveys, Page 82, Clark County Auditor's records:

Thence North 00° 05′ 19″ East, along the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 723.42 feet to a brass screw with washer marking the Northwest corner of Quail Reserve 1 recorded in Book 312 of Plats, Page 8 of Clark County Auditor's records;

Thence South 89° 38′ 33″ East, along the North line of Quail Reserve 1 (312-8), for a distance of 413.00 feet to the Northeast corner of said plat and to the **POINT OF BEGINNING**;

Thence following the Easterly line of said Quail Reserve 1 the following described courses:

Thence South 00° 05′ 19" West, parallel with the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 324.00 feet;

Thence North 89° 39' 17" West, for a distance of 94.25 feet;

Thence South 00° 20′ 43″ West, for a distance of 46.00 feet;

Thence South 89° 39' 17" East, for a distance of 94.46 feet;

Thence South 00° 05' 19" West, for a distance of 98.74 feet;

Thence South 40° 13' 13" East, for a distance of 293.26 feet;

Thence South 07° 33′ 34″ East, for a distance of 32.13 feet to the South line of the Northwest quarter of the Southwest quarter of Section 1 also being the Southeast corner of Quail Reserve 1;

Thence South 89° 39′ 07″ East, along the South line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 430.41 feet to the Southeast corner of Massie Tract as described in Exhibit C per Clark County Auditor's File No. 5448091;

Thence along the East line of said Exhibit C per Clark County Auditor's File No. 5448091 the following described course's;

Thence North 14°20'22" East, for a distance of 300.00 feet;

Thence North 67°53'13" West, for a distance of 166.00 feet;

Thence North 00°05′19" East, for a distance of 344.00 feet to the Northeast corner of said Exhibit C;

Thence North 89°39'17" West, along the North line of Exhibit C, for a distance of 297.53 feet;

Thence North 00°26'42" East, for a distance of 26.67 feet;

Thence North 89°38′33″ West, for a distance of 247.01 feet to the **POINT OF BEGINNING**.

Contains approximately 9.22 acres.

SURVEYOR'S CERTIFICATE:

I, Carl A. Beseda, hereby declare that the preceding Legal Description is the Legal Description of the perimeter of this Plat to the

best of my knowledge and belief, and that it was reviewed with the care of a prudent surveyor in this locality.



10/10/2019

EXHIBIT C

ELECTION AND CONSENT TO JOIN THE QUAIL RESERVE SUBDIVISION AND

BECOME A MEMBER OF THE QUAIL RESERVE HOMEOWNERS' ASSOCIATION

Whereas, Curt Massie and Heidi Massie (collectively, the "Massies"), own certain real property located at 1301 SE 22nd Avenue, Battle Ground, WA, 98604 (the "Property");

Whereas, the Property is legally described as: #25 SEC 1 T3N R2EWM 0.39A (PEND 1548 PTN QUAIL RESERVE 2);

Whereas, the Property has also been identified as Lot 37 on the Plat of Quail Reserve 2 recorded in the plat records of Clark County, Washington, at the location and recording number indicated on the first page of this Declaration;

Whereas, the Massies are aware of and have been coordinating with the Declarant towards the establishment and development of Quail Reserve Phase 2, as described in this Amendment to the Declaration; and

Whereas, the Massies have read and undertsand the Declaration, including the Amendment thereto;

NOW WHEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Massies:

- 1. Represent and warrant that they have read and understand the Declaration, including the Amendment thereto; and they
- 2. Elect and consent to
 - 2.1. Join the Quail Reserve Subdivision;
 - 2.2. Subject the Property to the Declaration, including all amendments thereto; and
 - 2.3. Become a Member of the Quail Reserve Homeowners' Association;
- 3. Direct that the Declaration, including the Amendment and any subsequent amendments thereto, shall be recorded against the Property, acknowledging that such Declaration as amended from time to time shall encumber the Property and run with title to the Property

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hereafter.

Curt Massie	Heidi Massie
	Tioral Ividiolic
STATE OF WASHINGTON)
) ss.
County of Clark)
I certify that Curt Masse apevidence that he signed this instructhe uses and purposes mentioned	opeared personally before me and that I know or have satisfactory ument and acknowledged it to be his free and voluntary act for in the instrument.
DATED this 100	day of December , 2019.
BRANDY MCELLRATH Notary Public State of Washington Commission # 39087 My Comm. Expires Aug 18,	Notary Public for Washington My commission expires: 06 19 22

of Declin WITNESS WHEREOF, the undersigned have executed this instrument this day of Declin 2019, as the Owner of the Property described above.

STATE OF WASHINGTON)
•) ss
County of Clark)

I certify that Heidi Masse appeared personally before me and that I know or have satisfactory evidence that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this 10 day of Della 2019.

BRANDY MCELLRATH
Notary Public
State of Washington
Commission # 39087
My Comm. Expires Aug 18, 2022

Notary Public for Washington

My commission expires: 00 19 22

CERTIFICATE FOR PLATTING

This is to certify that in connection with the recordation of the Plat and Dedication of

QUAIL RESERVE 2

The following list comprises all necessary parties signatory thereto:

- 1. Quail Reserve LLC, a Washington limited liability company
- 2. Blakemore Holdings Inc., a Washington corporation
- 3. Curtis L. Massie and Heidi M Massie, husband and wife

The company further certifies that the taxes levied thereon have been fully paid up to and including the year 2020

This certificate does not purport to reflect a full report on conditions of title, nor nature and extent of interest vested in each of the parties enumerated above, and shall have no force and effect, except in fulfilling the purposes for which it was requested.

Dated this 24 day of January , 2020

WFG National Title Company of Clark County WA

Sheri Hunzeker

Authorized Agent

www.clark.wa.gov/treasurer

1300 Franklin Street, 2nd floor PO Box 5000 Vancouver, WA 98666-5000 564.397.2252

January 30, 2020

Regarding: Plat proof of taxes paid for Quail Reserve II

This is to certify that the 2020 real property taxes in the amount of \$\$3084.13 are paid in full. The Clark County Treasurer further certifies all prior taxes and assessments have been paid in full on the parcel described herein:

Property account number: 191964000

Abbreviated legal description: #73 SEC 1 T3N R2EWM 8.83A (PEND 1548 PTN QUAIL RESERVE 2)

Payer's information Quail Reserve LLC 4501 NE Minnehaha Vancouver, WA 98661

Receipt number: 3948004

easurer

110400

Clark County Treasurer seal



ALISHIA TOPPER TREASURER

You can count on us. Since 1850.

www.clark.wa.gov/treasurer

1300 Franklin Street, 2nd floor PO Box 5000 Vancouver, WA 98666-5000 564.397.2252

January 30, 2020

Regarding: Plat proof of taxes paid for Quail Reserve II

This is to certify that the 2020 real property taxes in the amount of \$\$4,497.80 are paid in full. The Clark County Treasurer further certifies all prior taxes and assessments have been paid in full on the parcel described herein:

Property account number: 191916000

Abbreviated legal description: #25 SEC 1 T3N R2EWM 0.39A (PEND 1548 PTN QUAIL RESERVE 2)

Payer's information Curt and Heidi Massie 1301 SE 22nd Ave Battle Ground, WA 98604

Receipt number: 3948214

Clark County Treasurer

1/30/2020

Clark County Treasurer seal

5843132 CCRAMD

Total Pages: 14 Rec Fee: \$220.00

eRecorded in Clark County, WA 12/30/2020 02:27 PM

HORENSTEIN LAW GROUP PLLC SIMPLIFILE LC E-RECORDING

RECORDING REQUESTED BY

AND WHEN RECORDED RETURN TO:

Maren L. Calvert Horenstein Law Group PLLC 500 Broadway, Suite 370 Vancouver, WA 98660

Grantor: Quail Reserve, LLC and Quail Reserve Homeowners

Association

Grantee: THE PUBLIC and Quail Reserve Homeowners Association

Abbreviated Legal: NW ¼ OF THE SW ¼ OF SECTION 1, TOWNSHIP 3

NORTH, RANGE 2 EAST, W.M.

See Exhibit 1 for additional abbreviated legals.

Assessor's Tax Parcel #: 986049142

See Exhibit 1 for additional tax parcels.

Other Reference Nos.: Declaration: 5582610, 5701610

Sewer Easement & Maintenance Agreement: 5843066

SECOND AMENDMENT OF THE DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

QUAIL RESERVE SUBDIVISION

THIS SECOND AMENDMENT ("Amendment") to the AMENDED AND RESTATED DECLARAITON OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR QUAIL RESERVE SUBDIVISION ("Quail Reserve") is made by QUAIL RESERVE, LLC ("Declarant") and the Quail Reserve Homeowners' Association (the "Association") effective as of December 22nd, 2020.

RECITALS

WHEREAS, Declarant recorded THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR QUAIL RESERVE SUBDIVISION dated February 4, 2019 in Clark County, Washington at 5582610 ("Original Declaration");

WHEREAS, Declarant recorded the AMENDED AND RESTATED DECLARAITON OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR QUAIL RESERVE SUBDIVISION, dated February 12, 2020 in Clark County, Washington at 5701610 ("First Amendment");

WHEREAS, the Original Declaration and First Amendment are collectively referred to as the "CC&Rs";

WHEREAS, the perimeter of Quail Reserve is legally described as provided in <u>Exhibit A</u> attached to this Amendment and incorporated herein by reference;

WHEREAS, Declarant has a special declarant right to create common elements or limited common elements within Quail Reserve, as provided in RCW 64.90.010(20)(b); RCW 64.90.010(51)(b) and (h); and section 9.1 of the CC&Rs;

WHEREAS the sewer system Declarant installed in phase 2 of Quail Reserve (the "QR Sewer System") identified in <u>Exhibit B</u> attached to this Amendment and incorporated here by reference, is oversized and contains excess capacity; and

WHEREAS Declarant and the Board of Directors of the Association desire to share the use and maintenance of the QR Sewer Systems with other developments;

NOW THEREFORE, Declarant and the Association hereby delete the sections of the CC&Rs identified by number below and replace them in their entirety with the provisions provided below. The CC&Rs are unmodified and are hereby reaffirmed and incorporated as if set forth fully herein, except as expressly set forth in this Amendment. All terms defined in the CC&Rs shall carry the same meaning in this Amendment. To the extent that any provision of this Amendment conflicts with the CC&Rs, the terms of this Amendment shall control.

ARTICLE 1 DEFINITIONS

1.6 "Common Elements" means and refers to areas and improvements intended to be devoted to the common use and enjoyment of the Members, including those Common Elements identified in section 3.3.

* * *

1.10 "Limited Common Elements" means and refers to areas and improvements on the Property that are intended to be used and enjoyed by more than one but less than all the Members, including those Limited Common Elements identified in section 3.3.

ARTICLE 3

OWNERSHIP AND EASEMENTS

3.3 Ownership of Common Elements and Limited Common Elements. The Declarant conveyed and quitclaimed title to any Common Elements and Limited Common Elements of each phase, as identified on the Plat, to the Association as described in the Plat, upon the lawful recording of the Plat in Clark County. In addition, to the extent such right, title or interest has not already been conveyed, Declarant hereby conveys and quitclaims any right, title and interest

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it may have or may in the future acquire, to the QR Sewer System identified in <u>Exhibit B</u> attached to this Amendment and incorporated here by reference, to the Association.

- 3.3.1 Tracts C and F on the Plat are Common Elements.
- 3.3.2 Tract B is a Limited Common Element of Lot 15. The roadway west of SE 21st Avenue that serves as an access easement to Lots 1 and 2, as depicted on the Plat (the "Private Drive"), is a Limited Common Element of Lots 1 and 2. The wetland buffer identified as Tract D on the Plat ("Tract D"), is a Limited Common Element of Lots 30, 38, 39, 44, and 45. The QR Sewer System identified in Exhibit B is a Limited Common Element of Lots 26-45.

* * *

3.4.5 <u>Utility</u>, <u>Drainage</u>, <u>and Public Walkway Easements</u>. Notwithstanding anything expressed or implied to the contrary, this Declaration is subject to all easements granted by Declarant for the installation and maintenance of utilities and drainage facilities necessary for the development of Quail Reserve. Tracts C and F and the Lots are subject to public walkway easements as shown on the Plat. No structure, planting, or other material that may damage or interfere with the installation or maintenance of utilities, that may change the direction of flow of drainage channels in the easements, or that may obstruct or retard the flow of water through drainage channels in the easement areas may be placed or permitted to remain within any easement area. The Developer and its successors and assigns shall have an easement related to the QR Sewer System as more fully described in the Sewer Easement & Maintenance Agreement recorded in Clark County, Washington, at the recording number identified on the cover page to this Amendment.

ARTICLE 5 COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

5.1 Use. Use of the Common Elements and Limited Common Elements is subject to the provisions of the Declaration, Bylaws, Articles, and the Rules and Regulations adopted by the Board. There must be no obstruction of any part of the Common Elements or Limited Common Elements. Nothing may be stored or kept in the Common Elements or Limited Common Elements without the prior written consent of the Board. No alterations or additions to the Common Elements will be permitted without the prior written consent of the Board. The Common Elements and Limited Common Elements owned by the Association are defined in Section 3.3, above. The path or trail that runs through Tracts C and F is open to the public and subject to an easement in favor of the public for that use. The Limited Common Elements are intended to be used and enjoyed solely by the Owners benefitted by them, as defined in section 3.3.2, and their guests and invitees. In addition, the QR Sewer System may be used by the parties and for the purposes identified in the Sewer Easement & Maintenance Agreement. The Association may post and maintain "No Parking" signs on the Common Elements and the Limited Common Elements.

5.2 **Maintenance**.

5.2.1 <u>Common Elements</u>. The Association will be responsible for maintenance,

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repair, replacement, and upkeep of the Common Elements, except where such maintenance is provided by private agreement, Clark County, a government agency, or a utility company. The Association must keep the Common Elements in good condition and repair, provide for all necessary services, and cause all acts to be done that may be necessary or proper to maintain the Common Elements.

- 5.2.1 <u>Limited Common Elements</u>. Subject to section 5.2.3, below, the Owner(s) of the Lots benefitted from the remainder of the Limited Common Elements shall be responsible for maintenance, repair, replacement, and upkeep of those Limited Common Element. Such Owner(s) must keep the Limited Common Element in good condition and repair, provide for all necessary services, and cause all acts to be done that may be necessary or proper to maintain the Limited Common Element.
 - 5.2.1.1 *Votes*. Each benefitted Lot shall have an equal vote to all other benefitted Lot(s) related to repair, maintenance, and upkeep of that Limited Common Element. If any Lot is owned by more than one person, all of the owners of that Lot are collectively be referred to here as the "Owner" of that Lot. All of the owners of a Lot, as a group, are entitled to one collective vote as to Maintenance decisions contemplated by this Agreement and a vote cast or opinion, assent, or consent conveyed by a representative of the group to the other Owner shall be considered a binding vote, opinion, assent, or consent of the Owner. Each member of the group shall be jointly and severally responsible for paying the Lot's share of the Maintenance expenses for the Limited Common Element from which it benefits.
 - 5.2.1.2 *Cost Sharing*. Each benefitted Lot shall pay its proportionate share of the expenses related to repair, maintenance, and upkeep (collectively, "Maintenance") for the Limited Common Element from which it benefits. Benefitted Owner(s) shall pay the Lot's share of the expenses within thirty (30) days of receiving the estimate or invoice. If a benefitted Owner or agent of a benefitted Owner personally performs or procures Maintenance without the approval of the other benefitted Owner(s) prior to performing such work, the performing/procuring Owner shall be liable for the entire cost thereof, unless such work is deemed an emergency. Any damage to the Limited Common Element due to new construction or other damages caused by any Owner (including the Owner's guests, licensees, & invitees) shall be that Owner's responsibility to timely repair the Limited Common Element at the Owner's sole expense.
 - 5.2.1.3 Condition Assessment. The benefitted Owner(s) are responsible for continually monitoring and assessing the condition of the Limited Common Element and securing maintenance of it, as needed. Any of the benefitted Owner(s) may request a professional assessment of and/or estimate for maintenance for the Limited Common Element at any time. If the professional requires payment for the assessment or estimate, the requesting Owner shall notify the other benefitted Owner(s) of the estimated expense and obtain majority agreement from the

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benefitted Owner(s) to incur the estimated expense prior to committing to the expense.

- 5.2.1.4 Emergency Repairs. If any benefitted Owner is made aware of emergency safety conditions on a Limited Common Element, the benefitted Owner will attempt to reach the other benefitted Owner(s) to coordinate the necessary repairs immediately. If the other benefitted Owner(s) cannot be reached, the acting Owner has the authority to make emergency repairs as needed. In such cases, the acting Owner(s) will notify the other benefitted Owner(s) of the repairs, the cost, and the amount due from the Owner(s), as well as the reasons for making the emergency repairs.
- 5.2.1.5 Insurance and Indemnity. The benefitted Owners shall reasonably insure their use of the Limited Common Element. The benefitted Owners shall indemnify and defend each other for all claims, demands, costs and expenses (including attorney fees and costs) related to their respective use of and efforts to maintain the Limited Common Elements, including third party injuries.
- 5.2.1.6 Association Authority. The Association may enforce the terms of this Amendment and require compliance with applicable laws, regulations, the Declaration, and any applicable Association rules. If the benefitted Owners do not comply with Association enforcement efforts, the Association may perform or contract to perform Maintenance to the Limited Common Elements and bill the work to the benefitted Owner(s). The costs must be fully paid in accordance with the Association Declaration, Bylaws, and rules. The Association may also make emergency repairs in accordance with section 5.2.1.4 above, as if it were a benefitted Owner.
- 5.2.2 Private Drive Maintenance. The Private Drive shall be constructed and maintained in accordance with the Battle Ground's private drive/road ordinance(s). Maintenance will be undertaken and made whenever necessary to maintain the Private Drive in good operating condition, in accordance with applicable laws, regulations, and the Declaration, and to ensure safe access to and from Lots 1 and 2 by emergency and other vehicles at all times. Any dispute between Lots 1 and 2 about the appropriateness or cost of a proposed expense for the Private Drive shall be heard and resolved by the Board. The Private Drive shall be snowplowed, as needed, to permit year-round access. For the safety of the Owners, residents, guests and invitees, and as required by the Declaration, no machinery, trailers, vehicles or other property may be stored or parked upon the Private Drive at any time.
- 5.2.3 <u>Exception</u>. Notwithstanding the above, the Association shall administer and maintain Tract D and the QR Sewer System as if they were Common Elements, in accordance with section 5.2.1, rather than section 5.2.2. The cost of such maintenance activities shall be apportioned in accordance with section 5.2.1.2, above. The Association shall coordinate all maintenance and

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cost-sharing for such maintenance with the Developer, as provided in the Sewer Easement & Maintenance Agreement.

- 5.3 **Alterations**. Only the Association may construct, reconstruct, or alter any improvement located on the Common Elements. A proposal for any construction, alteration, maintenance, or repair of any such improvement may be made at any Board meeting. The Board may adopt a proposal, subject to the limitations contained in the Bylaws and this Declaration.
- 5.4 **Funding**. Expenditures for replacement or major repairs to an existing improvement for which a reserve has been collected will be made from the Reserve Account. Regular maintenance, repair, and operating expenses for Common Elements will be funded by annual assessments as provided in **Error! Reference source not found**. As provided in **Error! Reference source not found**. As provided in **Error! Reference source not found**., the Board may levy a special assessment to fund any construction, alteration, repair, or maintenance of an improvement (or any other portions of the Common Elements) for which no reserve has been collected or for which the Reserve Account is insufficient to cover the cost of the proposed construction, alteration, repair, or maintenance.
- 5.5 **Plantings**. All landscaping or plantings on the Common Elements must be maintained and cared for in a manner that is consistent with the ARC's original approval. Natural landscaping is appropriate if it does not present a safety or health hazard. Weeds and diseased plants, trees, groundcover, or shrubs shall be removed and replaced, as reasonably necessary.
- 5.6 **Condemnation**. If all or any portion of the Common Elements or Limited Common Elements is taken for any public or quasi-public use under any statute, by right of eminent domain, or by purchase in lieu of eminent domain, the Board will receive and expend the entire award in a manner that, in the Board's discretion, is in the best interest of the Association and the Owners. The Association must represent the interest of all Owners in any negotiations, suit, action, or settlement in connection with such matters.
- 5.7 **Damage or Destruction**. If all or any portion of the Common Elements or Limited Common Elements is damaged or destroyed by an Owner or any of the Owner's guests, Occupants, tenants, licensees, agents, or members of the Owner's family in a manner that would subject the Owner to liability for the damage under Washington law, the Owner hereby authorizes the Association to repair the damage. The Association must repair the damage and restore the area in workmanlike manner as originally constituted or as may be modified or altered subsequently by the Association in the discretion of the Board. Reasonable costs incurred in connection with effecting the repairs will become a special assessment on the Lot(s) and against the Owner(s) who caused, contributed to, or is responsible for the damage.
- 5.8 **Power of Association to Sell, Dedicate, or Transfer**. The Association may sell, dedicate, transfer, grant a security interest in, or grant an easement for installation and maintenance of utilities or for similar purposes with respect to, any portion of the Common Elements.

IN WITNESS WHEREOF, Declarant and the Association have executed this instrument this 22nd day of December, 2020.

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QUAIL RESERVE, LLC
By: Jon Girod, Manager
STATE OF WASHINGTON)
County of Clark) ss.
I certify that Jon Girod appeared personally before me and that I know or have satisfactory evidence that he signed this instrument as the Manager of Quail Reserve, LLC, a Washington limited liability company, and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument. DATED this \mathcal{U} day of \mathcal{V}
RAD
BRANDY MCELLRATH Notary Public State of Washington Commission # 39087 My Comm. Expires Aug 18, 2022 My commission expires: 09 19 22
QUAIL RESERVE HOMEOWNERS ASSOCIATION a Washington nonprofit corporation
By: Jon Girod, President
STATE OF WASHINGTON)) ss.
Second Amendment of Declarations, Covenants, Conditions and Restrictions - 7

County of Clark

I certify that Jon Girod appeared personally before me and that I know or have satisfactory evidence that he signed this instrument as the President of the Quail Reserve Homeowners Association, a Washington nonprofit corporation, and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

)

DATED this 22 day of December, 2020.

BRANDY MCELLRATH Notary Public State of Washington Commission # 39087 My Comm. Expires Aug 18, 2022

Notary Public for Washington

My commission expires: DO 18 22

Second Amendment of Declarations, Covenants, Conditions and Restrictions - 8 4841-0039-2659, v. 3

 $\underline{\textbf{EXHIBIT 1}}$ Additional Abbreviated Legal Descriptions and Parcel Numbers

Parcel Number	Abbreviated Legal
Phase 1	
986049142	QUAIL RESERVE 1 LOT 1 312008
986049143	QUAIL RESERVE 1 LOT 2 312008
986049144	QUAIL RESERVE 1 LOT 3 312008
986049145	QUAIL RESERVE 1 LOT 4 312008
986049146	QUAIL RESERVE 1 LOT 5 312008
986049147	QUAIL RESERVE 1 LOT 6 312008
986049148	QUAIL RESERVE 1 LOT 7 312008
986049149	QUAIL RESERVE 1 LOT 8 312008
986049150	QUAIL RESERVE 1 LOT 9 312008
986049151	QUAIL RESERVE 1 LOT 10 312008
986049152	QUAIL RESERVE 1 LOT 11 312008
986049153	QUAIL RESERVE 1 LOT 12 312008
986049154	QUAIL RESERVE 1 LOT 13 312008
986049155	QUAIL RESERVE 1 LOT 14 312008
986049156	QUAIL RESERVE 1 LOT 15 312008
986049157	QUAIL RESERVE 1 LOT 16 312008
986049158	QUAIL RESERVE 1 LOT 17 312008
986049159	QUAIL RESERVE 1 LOT 18 312008
986049160	QUAIL RESERVE 1 LOT 19 312008
986049161	QUAIL RESERVE 1 LOT 20 312008
986049162	QUAIL RESERVE 1 LOT 21 312008
986049163	QUAIL RESERVE 1 LOT 22 312008
986049164	QUAIL RESERVE 1 LOT 23 312008
986049165	QUAIL RESERVE 1 LOT 24 1 312008
986049166	QUAIL RESERVE 1 TRACT A 312008
986049167	QUAIL RESERVE 1 TRACT B 312008
Phase 2	
986055136	QUAIL RESERVE 2 LOT 25 312087
986055137	QUAIL RESERVE 2 LOT 26 312087
986055138	QUAIL RESERVE 2 LOT 27 312087
986055139	QUAIL RESERVE 2 LOT 28 312087
986055140	QUAIL RESERVE 2 LOT 29 312087
986055141	QUAIL RESERVE 2 LOT 30 312087
986055142	QUAIL RESERVE 2 LOT 31 312087
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986055147	QUAIL RESERVE 2 LOT 36 312087
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986055155	QUAIL RESERVE 2 LOT 44 312087
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986055157	QUAIL RESERVE 2 TRACT C 312087
986055158	QUAIL RESERVE 2 TRACT D 312087
986055159	QUAIL RESERVE 2 TRACT E 312087
986055160	QUAIL RESERVE 2 TRACT F 312087

Second Amendment of Declarations, Covenants, Conditions and Restrictions - 10 4841-0039-2659, v. 3

EXHIBIT A

PERIMETER LEGAL DESCRIPTION OF QUAIL RESERVE 1

Being a portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, Clark County, described as follows:

BEGINNING at a ½" iron rod marking the Southwest corner of the Northwest quarter of the Southwest quarter of Section 1, as shown in Book 3 of Surveys, Page 82, Clark County Auditor's records:

Thence North 00° 05′ 19″ East, along the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 723.42 feet to a ½″ iron rod (Survey 3-82) marking the Southwest corner of the Gustafson Tract as described under the Clark County Auditor's file number 9111010031;

Thence South 89° 38′ 33″ East, along the South line of said Gustafson Tract, also being along the South line of the Ollieu Tract as described under the Clark County Auditor's file number 5075884, for a distance of 41.3.00 feet;

Thence South 00° 05′ 19" West, parallel with the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 324.00 feet;

Thence North 89° 39' 17" West, for a distance of 94.25 feet;

Thence South 00° 20' 43" West, for a distance of 46.00 feet;

Thence South 89° 39' 17" East, for a distance of 94.46 feet;

Thence South 00° 05' 19" West, for a distance of 98.74 feet;

Thence South 40° 13′ 13" East, for a distance of 293.26 feet;

Thence South 07° 33′ 34″ East, for a distance of 32.13 feet to the South line of the Northwest quarter of the Southwest quarter of Section 1;

Thence North 89° 39′ 07″ West, along the South line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 607.00 feet to the **POINT OF BEGINNING.**

Second Amendment of Declarations, Covenants, Conditions and Restrictions - 11 4841-0039-2659, v. 3

PERIMETER LEGAL DESCRIPTION FOR QUAIL RESERVE 2

Being a portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, City of Battle Ground, Clark County, described as follows:

COMMENCING at a ½" iron rod marking the Southwest corner of the Northwest quarter of the Southwest quarter of Section 1, as shown in Book 3 of Surveys, Page 82, Clark County Auditor's records:

Thence North 00° 05′ 19″ East, along the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 723.42 feet to a ½″ iron rod (Survey 3-82) marking the Southwest corner of the Gustafson Tract as described under the Clark County Auditor's file number 9111010031;

Thence South 89° 38′ 33″ East, along the South line of said Gustafson Tract, also being along the South line of the Ollieu Tract as described under the Clark County Auditor's file number 5075884, for a distance of 413.00 feet to the Northeast corner of Quail Reserve 1 recorded in Book 312 of Plats, Page 8 Clark County Auditor's Records and the **POINT OF BEGINNING**;

Thence following the Easterly line of said Quail Reserve 1 the following described courses:

Thence South 00° 05′ 19" West, parallel with the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 324.00 feet;

Thence North 89° 39' 17" West, for a distance of 94.25 feet;

Thence South 00° 20' 43" West, for a distance of 46.00 feet;

Thence South 89° 39' 17" East, for a distance of 94.46 feet;

Thence South 00° 05' 19" West, for a distance of 98.74 feet;

Thence South 40° 13′ 13″ East, for a distance of 293.26 feet;

Second Amendment of Declarations, Covenants, Conditions and Restrictions - 12 4841-0039-2659, v. 3

Thence South 07° 33′ 34″ East, for a distance of 32.13 feet to the South line of the Northwest quarter of the Southwest quarter of Section 1 also being the Southeast corner of Quail Reserve 1;

Thence South 89° 39′ 07″ East, along the South line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 430.41 feet to the Southeast corner of Massie Tract as described in Exhibit C per Clark County Auditor's File No. 5448091:

Thence along the East line of said Exhibit C per Clark County Auditor's File No. 5448091 the following described course's;

Thence North 14°20'22" East, for a distance of 300.00 feet;

Thence North 67°53'13" West, for a distance of 166.00 feet;

Thence North 00°05′19" East, for a distance of 344.00 feet to the Northeast corner of said Exhibit C;

Thence North 89°39′17″ West, along the North line of Exhibit C, for a distance of 297.53 feet;

Thence North 00°26′42″ East, for a distance of 26.67 feet;

Thence North 89°38′33″ West, for a distance of 247.01 feet to the **POINT OF BEGINNING**.

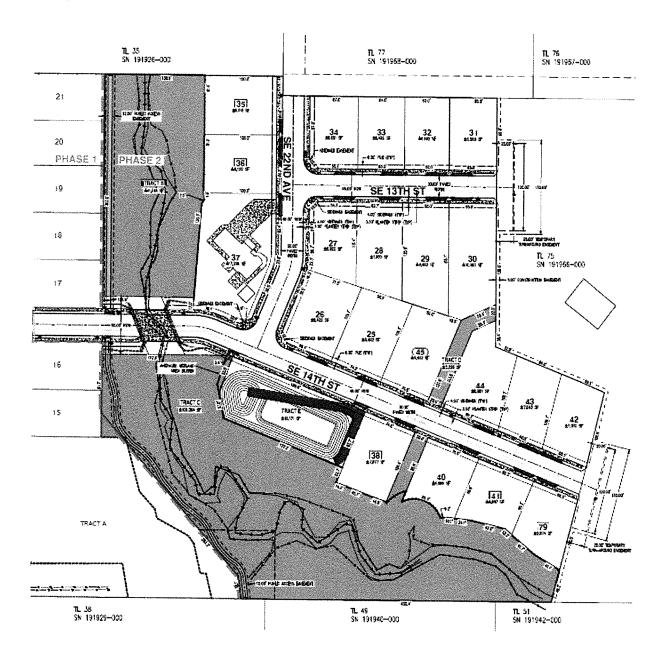
Contains approximately 9.22 acres.

Second Amendment of Declarations, Covenants, Conditions and Restrictions - 13 4841-0039-2659, v. 3

EXHIBIT B

DESCRIPTION & DEPICTION OF THE QR SEWER SYSTEM

The sewer system installed in the streets of Quail Reserve Phase 2, in 2020, as approximately depicted by the light gray lines in SE 13th Street, SE 14th Street, and SE 22nd Avenue in the drawing below.



Second Amendment of Declarations, Covenants, Conditions and Restrictions - 14 4841-0039-2659, v. 3

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

Maren L. Calvert Horenstein Law Group PLLC 500 Broadway, Suite 370 Vancouver, WA 98660

5843066 EAS

Total Pages: 17 Rec Fee: \$119.50

eRecorded in Clark County, WA 12/30/2020 01:22 PM

HORENSTEIN LAW GROUP PLLC SIMPLIFILE LC E-RECORDING

Grantor: Quail Reserve Homeowners Association, a Washington

nonprofit corporation

Grantee: Quail Reserve LLC

Abbreviated Legal: GRANTOR: #73 SW ¼ S1T3N R2EWM

See attached Exhibit 1 for additional abbreviated legals.

Assessor's Tax Parcel #: 191964000 - See attached Exhibit 1 for tax parcels.

SEWER DISCHARGE EASEMENT AGREEMENT

This Sewer Discharge Easement Agreement (this "Agreement") is made by and between the Quail Reserve Homeowners Association, a Washington nonprofit corporation (the "Quail Reserve HOA") and Quail Reserve LLC, a Washington limited liability company and is dated for reference purposes as of December 22, 2020.

RECITALS

- A. The Quail Reserve HOA owns the common elements and limited common elements and manages real property located in Clark County, Washington known as Quail Reserve Subdivision Phase 2, (the "Quail Reserve Property") described on Exhibit A to this Agreement.
- B. The sewer system currently located in Phase 2 of the Quail Reserve Property (the "QR Sewer System"), as identified by gray lines in the streets in <u>Exhibit B</u>, attached hereto, is oversized and has excess capacity.
- C. Quail Reserve LLC intends to purchase and develop certain real property that is located north and east of the Quail Reserve Property (collectively the "NE Properties"), more specifically described in <u>Exhibit C</u>, attached hereto.
- D. In connection with such development, Quail Reserve LLC desires to connect the NE Properties' sewer system to the QR Sewer System.

E. Quail Reserve LLC and Quail Reserve HOA understand that subsequent to construction of the Improvements (defined below) on NE Properties, the Improvements will be conveyed to, and the right to use the easement granted herein for sewage discharge will be assigned to, a homeowner's association (the "NE Property HOA") to be formed during the development of the NE Properties. Thereafter, NE Property HOA shall act as the representative of the owners of homes and other improvements on the NE Properties to perform the obligations of Quail Reserve LLC under this Agreement, as described below.

AGREEMENT

- 1. <u>Grant of Easements.</u> For and in consideration of the payment required by paragraph 29 and mutual promises set forth herein, Quail Reserve HOA grants to Quail Reserve LLC and its successors and assigns:
- a. a perpetual, non-exclusive easement in gross (the "Sewage Easement") in, to, and through, the QR Sewer System for the following purposes: (i) to connect a compatible extended sewer system that shall service residential properties on NE Properties (collectively, the "Improvements") to the QR Sewer System; and (ii) to discharge sewage originating on the NE Properties into the QR Sewer System in amounts not to exceed standard discharge levels for no more than 100 residential homes, each of which shall not exceed 4000 square feet of housing.
- b. a non-exclusive access easement in gross in, to, to through, and on an area of land that extends fifty (50) feet west from the eastern property boundary line of Quail Reserve Property and for the entire width of SE 13th Street (the "Connection Easement Area"), for the purpose of connecting the Improvements to the QR Sewer System (the "Connection Easement"). This Connection Easement shall expire two (2) months after construction of the Improvements is completed or on January 1, 2022, whichever is earlier, without further action by any party.
- 2. <u>Conversion of Easements</u>. Once the Improvements are built, the parties intend and hereby agree that the easements in gross identified in paragraph 1 above, shall automatically convert to easements appurtenant to the land in which the Improvements have been installed at the time the Improvements are connected to the QR Sewer System.
- 3. <u>Termination of Easements</u>. If the Improvements are not connected to the QR Sewer System on or before January 1, 2045, the easements identified in paragraph 1 above shall automatically terminate without further action of the parties.
- 4. <u>As Is.</u> Quail Reserve LLC accepts the condition of the QR Sewer System and Quail Reserve Property (to the extent of any license or use rights therein) in their "AS IS" condition. By entering this Agreement, Quail Reserve LLC waives and releases Quail Reserve HOA from any liability, obligation, damage, or claim of whatsoever nature relating to the condition of the QR Sewer System, or Quail Reserve Property, whether apparent or hidden. Quail Reserve LLC waives any right to require Quail Reserve HOA to maintain Quail Reserve Property in a safe condition.

- 5. Connection Costs and Connection Easement Area. Quail Reserve LLC shall pay all costs associated with installing the Improvements and connecting them to the QR Sewer System, including but not limited to any fees or charges that may reasonably be charged by Quail Reserve HOA's engineer. Upon completion of any activities of Quail Reserve LLC which disturb the surface of the Connection Easement Area, including any future improvements permitted by this Agreement, Quail Reserve LLC shall promptly restore the Connection Easement Area to the condition it was in immediately prior to such disturbance or as otherwise required by this Agreement, except as otherwise provided in this Agreement or as necessarily modified to accommodate the Improvements. All costs for activities required by this paragraph 5 shall be borne solely by Quail Reserve LLC.
- 6. <u>Subjacent and Lateral Support.</u> Quail Reserve HOA grants to Quail Reserve LLC the right of subjacent and lateral support for the Improvements. Quail Reserve HOA shall not take any action which would unreasonably or materially impair the lateral or subjacent support for the Improvements.
- Reserve LLC contemplated by this Agreement shall be taken in full and strict compliance with all governmental requirements. Quail Reserve LLC shall at all times be responsible for the quantity and quality of all material discharged into the QR Sewer System from the NE Properties. Quail Reserve LLC shall be responsible for compliance with all applicable federal, state, and local requirements for the construction, operation, use, and maintenance of the Improvements and for all discharges from the NE Properties into the sewer system on Quail Reserve Property, including but not limited to compliance with all applicable federal, state, and local water quality requirements.
- Reserve HOA from and against any and all losses, claims, actions, damages, liabilities, penalties, fines, or expenses, of whatsoever nature, including, without limitation, reasonable attorneys' fees and costs on account of mechanics' lien claims, injury to persons, the death of any person, or damages to property ("Claims") arising from the use of the Connection Easement Area, the QR Sewer System, or adjoining areas, or from the discharge of sewage into the QR Sewer System, or from any activities contemplated by this Agreement, in each case undertaken by Quail Reserve LLC or any other person claiming by, thru, or under Quail Reserve LLC, except to the extent any such Claim results from the wrongful acts or omissions or the negligence, gross negligence or willful and wanton acts of Quail Reserve HOA. The indemnity set forth in this paragraph shall be effective without regard to compliance or non-compliance with this Agreement by Quail Reserve LLC or Quail Reserve HOA, provided Quail Reserve HOA shall act reasonably in the maintenance and operation of the sewer system and the amount of any Claim shall be reduced to the extent directly caused by Quail Reserve HOA's non-compliance with this requirement or any other requirement of this Agreement.
- 9. <u>Insurance.</u> Quail Reserve LLC shall, at all times this Agreement is in effect, maintain a policy of general liability insurance with respect to the Connection Easement Area, Quail Reserve LLC's use of the QR Sewer System, and Quail Reserve LLC's activities upon Quail Reserve Property. The amount of such insurance shall be no less than \$1,000,000.00 and shall be

increased to an amount then commercially reasonable upon notice from Quail Reserve HOA. Such policy shall name Quail Reserve HOA as an additional named insured. All such policies shall provide that they shall not be amended or terminated except upon at least 30 days' prior written notice to Quail Reserve HOA. Upon ten days of the request of Quail Reserve HOA, Quail Reserve LLC shall provide to Quail Reserve HOA on ACORD Form 27 evidence of insurance coverage meeting the requirements of this paragraph. In the event at any time Quail Reserve LLC fails to have in place the insurance coverage required by this paragraph or fail to provide evidence of insurance as required by this paragraph, Quail Reserve HOA shall have the right, but not the obligation, to purchase, in its own name or in the name of Quail Reserve LLC, insurance coverage required by this paragraph and the cost thereof shall be the responsibility of Quail Reserve LLC as provided in paragraph 11, below.

- 10. Reserved Rights of Quail Reserve HOA. Quail Reserve HOA reserves the right to use the QR Sewer System and to grant further easement interests in the QR Sewer System to others so long as such interest and uses do not materially or unreasonably interfere with the use of the QR Sewer System by Quail Reserve LLC in accordance with this Agreement.
- Performance of Quail Reserve LLC's Obligations. In the event Quail Reserve LLC fails to perform any obligation under this Agreement within ten days of written notice by Quail Reserve HOA or fails to provide insurance or evidence of insurance as required by paragraph 9, above, Quail Reserve HOA may, but is not required to, perform any such obligation of Quail Reserve LLC at the sole cost and expense of Quail Reserve LLC. Except as may be necessary to prevent damage or injury on an emergency basis, Quail Reserve HOA shall not commence performance of any unperformed obligation of Quail Reserve LLC as long as, within such ten-day period, Quail Reserve LLC shall have commenced curative action and thereafter shall prosecute such curative action diligently to completion. Any amount required to be paid by Quail Reserve LLC to Quail Reserve HOA pursuant to this paragraph shall bear interest at the highest rate allowed by state law. All amounts so expended by Quail Reserve HOA plus interest shall constitute a lien against the NE Properties, provided, however, to the extent any portion of the NE Properties is subject to NE Property HOA, the obligations of Quail Reserve LLC under this paragraph shall not be a lien on the individual residence of any homeowner or condominium owner, but the obligation shall be a personal obligation of NE Property HOA, or such other HOA as shall be related to and encumber NE Properties, and be a lien on all real property which is owned by such HOA and which, at any time, was a part of the NE Properties.
- 12. <u>Inurement.</u> The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the parties and their respective legal representatives, successors, and assigns. The rights and obligations set forth in this Agreement are intended to run with the land as described herein.
- 13. <u>Assignment and Delegation.</u> Quail Reserve LLC may, from time to time, and with the written approval of Quail Reserve HOA, which shall not be unreasonably withheld, assign or delegate to any governmental entity, to NE Property HOA in accordance with the provisions of this Agreement, or to any third party having an interest in the NE Properties the rights and obligations of

Quail Reserve LLC under this Agreement to maintain, operate, repair, and replace the Improvements and the right to discharge sewage into the QR Sewer System as set forth in paragraph 1, above. Quail Reserve HOA may condition its approval upon, among other things, the adequacy of provision for performance of all of Quail Reserve LLC's obligations under this Agreement. Upon Quail Reserve LLC's compliance with the terms of this paragraph 13 and paragraph 14, below, Quail Reserve HOA shall release Quail Reserve LLC from liability under this Agreement.

- 14. Assignment to NE Property HOA. Upon completion of the construction of the Improvements it is anticipated that the ownership of the Improvements will be conveyed to NE Property HOA, and the rights under this Easement Agreement to construct, install, reconstruct, maintain, repair, replace and remove, the Improvements and the right to discharge sewage originating on the NE Properties into the QR Sewer System will be assigned to NE Property HOA.
- a. Approval by Quail Reserve HOA of the conveyance of the Improvements and the Quail Reserve LLC's rights and obligations under this Agreement to NE Property HOA is conditioned on:
 - i. the written agreement by NE Property HOA to assume all obligations of Quail Reserve LLC under this Agreement and to comply with all of the terms of this Agreement;
 - ii. the covenants, conditions, and restrictions ("CC&Rs") of NE Property HOA being satisfactory in form and substance to Quail Reserve HOA, which CC&Rs shall (A) refer expressly to the obligation of NE Property HOA to assume all obligations of the Quail Reserve LLC under this Agreement; (B) provide that NE Property HOA shall assess its members an amount necessary to pay in a timely fashion all amounts owed to Quail Reserve HOA under this Agreement and the amounts that may be necessary to maintain and improve the Improvements over time; and (C) encompass all lots or parcels within the NE Properties which, from time to time, are benefitted by the Improvements.
- b. Any property not subject to assessment by Quail Reserve HOA and/or NE Property HOA for the expenses related to this Agreement shall not be entitled to discharge sewage pursuant to the Easements.
- c. Notwithstanding anything in this Easement Agreement to the contrary, unless and until expressly released by Quail Reserve HOA, Quail Reserve LLC, their successors in interest, and any assignee of this entire Easement Agreement, shall be and remain obligated and liable for all obligations of Quail Reserve LLC under this Agreement. All documents executed in connection with the assignment and assumption of this Agreement shall be satisfactory in form and substance to Quail Reserve HOA. Upon compliance by Quail Reserve HOA with the provisions of this paragraph 14, Quail Reserve LLC shall be released from the obligations assumed by NE Property HOA.

- Maintenance of Improvements. At all times, Quail Reserve LLC shall maintain the Improvements in a safe and attractive condition and in compliance with all applicable governmental requirements. Without limiting the generality of the preceding, all Improvements constructed by Quail Reserve LLC shall meet or exceed all applicable requirements and specifications of all governmental agencies having jurisdiction of matters relating to sewer systems in the area where Quail Reserve Property and the NE Properties are located. All expenses of the operation, maintenance, and reconstruction of the Improvements, if necessary, shall be borne entirely by Quail Reserve LLC.
- 16 Maintenance of QR Sewer System. Prior to the Improvements being connected to the QR Sewer System, all expenses of the operation, maintenance, and reconstruction of the QR Sewer System, if necessary, shall be borne entirely by Quail Reserve HOA. Once the Improvements are connected to the QR Sewer System, from that point forward, all expenses of the operation, maintenance, and reconstruction of the QR Sewer System shall be shared proportionately between Quail Reserve HOA and Quail Reserve LLC. Quail Reserve HOA and Quail Reserve LLC shall cooperate with respect to all issues regarding handling of the sewage discharge as provided in this Agreement and provide notice to each other of perceived or anticipated problems in that regard to resolve capacity problems expeditiously and proactively. Notwithstanding the foregoing, in the event that Quail Reserve LLC discharges sewage originating on the NE Properties in an amount that alone, or in combination with other discharge, causes damage to the QR Sewer System, Quail Reserve Property, or causes the capacity of the QR Sewer System to be exceeded, Quail Reserve LLC shall be responsible for any resulting damages and shall be liable for any violations of any federal, state, or local requirements, including any environmental laws, in each case attributable to sewage or other discharge that originated on the NE Properties.
- 17. Conditions of Use. Notwithstanding anything to the contrary in this Agreement or at law, or in equity, the right of Quail Reserve LLC to continue to discharge sewage into the QR Sewer System is expressly conditioned on the discharge being of sufficient quality not to cause or contribute to any material harm, or to otherwise materially damage the QR Sewer System or adversely and materially impact the present or future uses of the QR Sewer System. If at any time Quail Reserve HOA, or its successors or assigns, reasonably determines that the quality of the discharge from the NE Properties has materially damaged or is materially damaging the QR Sewer System, Quail Reserve HOA and its successors or assigns may demand, and Quail Reserve LLC shall take, such measures as may be required to correct the condition causing such damage. If the use of the Improvements, or the discharge into the QR Sewer System from the Improvements has caused or contributed to any material damage of the QR Sewer System, or Quail Reserve Property. Quail Reserve LLC shall take such action as may be necessary to bring Quail Reserve Property and the QR Sewer System substantially back to their original condition prior to the damage, or to compensate Quail Reserve HOA, its successors or assigns for such damages. The provisions of paragraph 16 and this paragraph 17 shall be specifically enforceable by Quail Reserve HOA without the necessity of demonstrating an adequate remedy at law exists and damage to Quail Reserve HOA's real property shall be presumed to be irreparable harm. In connection with any such action, Quail Reserve HOA shall not be required to post a surety bond.

- 18. <u>Cooperation.</u> Quail Reserve HOA and Quail Reserve LLC shall cooperate with respect to all issues regarding handling of the sewage discharge as provided in this Agreement and provide notice to each other of perceived or anticipated problems in that regard to resolve capacity problems expeditiously and proactively.
- 19. <u>Attorneys' Fees.</u> In the event of any litigation, arbitration, or other proceeding brought to enforce or interpret this Agreement, the prevailing party shall receive an award of its reasonable attorneys' fees and costs.
- 20. **Paragraph Headings.** Paragraph headings are included for reference purposes only and do not constitute part of this Agreement.
- 21. **Governing Law.** This Agreement shall be governed and construed under the laws of the State of Washington without regard to conflicts of law provisions.
- 22. <u>Severability.</u> Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.
- 23. <u>Notices.</u> All notices, demands, or other communications to any party under this Agreement shall be in writing (including facsimile transmission); shall be sent only by facsimile (with confirmation by United States Mail), by nationally recognized courier service, or by personal delivery; and shall be given:

If to Quail Reserve HOA, to:

4501 NE Minnehaha St, Suite 200 Vancouver, WA, 98661-1849

If to Quail Reserve LLC, to:

4501 NE Minnehaha St, Suite 200 Vancouver, WA, 98661-1849

All such notices, demands, requests, or other communications shall be deemed received on the date of receipt by the recipient if received prior to 5:00 p.m. in the place of receipt and such day is a business day in the place of receipt. Otherwise, any such notice, demand, request, or other communication shall be deemed not to have been received until the next succeeding business day in the place of receipt. Addresses for notice may be changed from time to time by notice to the other party.

- 24. <u>Waiver.</u> Waiver by either party of any one default will not be deemed to be a waiver of any other default under this Agreement. Any remedy or election under this Agreement will not be deemed exclusive, but, instead, whenever legally permissible, will be cumulative with all other remedies at law or in equity.
- 25. Negation of Agency, Partnership. No provision of this Agreement or subsequent conduct of the parties shall be construed as making either party an agent, principal, partner, or joint venturer with the other party, or as making either party responsible for the payment or reimbursement of any costs incurred by the other party in pursuing this transaction if this Agreement is terminated for any reason (other than as otherwise expressly set forth in this Agreement concerning responsibility for costs).
- 26. <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
- 27. <u>Construction.</u> The rule of strict construction does not apply to this Agreement. This Agreement shall be given a reasonable construction so the intention of the parties can be carried out.
- 28. **Exhibits.** The parties acknowledge and agree that each of the Exhibits attached to this Agreement form an integral part of this Agreement and by this reference are incorporated herein as if set forth in full verbatim.
- 29. **Expenses for this Agreement.** Quail Reserve LLC shall pay all reasonable fees of legal counsel incurred in preparing this Agreement and related necessary paperwork, in an amount not to exceed \$7,500.00.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates indicated below.

		QUAIL RESERVE HOMEOWNERS ASSOCIATION, a Washington nonprofit corporation By: Name: Jon Girod Title: President
STATE OF WASHINGTON)	
) ss.	
COUNTY OF CLARK)	
I certify that Ion Girod an	neared nersons	ally before me and that I know or have satisfactors

I certify that Jon Girod appeared personally before me and that I know or have satisfactory evidence that he signed this instrument as the President of Quail Reserve Homeowners Association, a Washington nonprofit corporation, and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

ZA)

DATED this W day of Deember

BRANDY MCELLRATH Notary Public State of Washington Commission # 39087 My Comm. Expires Aug 18, 2022 Notary Public for Washington

My commission expires:

QUAIL RESERVE LLC, a Washington limited liability company

By:

Name: Jon Girod Title: Manager

STATE OF WASHINGTON) ss.
COUNTY OF CLARK)

I certify that Jon Girod appeared personally before me and that I know or have satisfactory evidence that he signed this instrument as the President of Quail Reserve LLC, a Washington limited liability company, and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this W day of December

,2020

BRANDY MCELLRATH
Notary Public
State of Washington
Commission # 39087
My Comm. Expires Aug 18, 2022

Notary Public for Washington

My commission expires: 00 18 2

EXHIBIT 1

Parcel Number	Abbreviated Legal
986055136	QUAIL RESERVE 2 LOT 25 312087
986055137	QUAIL RESERVE 2 LOT 26 312087
986055138	QUAIL RESERVE 2 LOT 27 312087
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986055160	QUAIL RESERVE 2 TRACT F 312087

EXHIBIT A

PERIMETER LEGAL DESCRIPTION FOR QUAIL RESERVE 2

Being a portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, City of Battle Ground, Clark County, described as follows:

COMMENCING at a ½" iron rod marking the Southwest corner of the Northwest quarter of the Southwest quarter of Section 1, as shown in Book 3 of Surveys, Page 82, Clark County Auditor's records:

Thence North 00° 05′ 19″ East, along the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 723.42 feet to a ½″ iron rod (Survey 3-82) marking the Southwest corner of the Gustafson Tract as described under the Clark County Auditor's file number 9111010031;

Thence South 89° 38′ 33″ East, along the South line of said Gustafson Tract, also being along the South line of the Ollieu Tract as described under the Clark County Auditor's file number 5075884, for a distance of 413.00 feet to the Northeast corner of Quail Reserve 1 recorded in Book 312 of Plats, Page 8 Clark County Auditor's Records and the **POINT OF BEGINNING**;

Thence following the Easterly line of said Quail Reserve 1 the following described courses:

Thence South 00° 05′ 19" West, parallel with the West line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 324.00 feet;

Thence North 89° 39' 17" West, for a distance of 94.25 feet;

Thence South 00° 20' 43" West, for a distance of 46.00 feet;

Thence South 89° 39' 17" East, for a distance of 94.46 feet;

Thence South 00° 05' 19" West, for a distance of 98.74 feet;

Thence South 40° 13' 13" East, for a distance of 293.26 feet;

Thence South 07° 33′ 34″ East, for a distance of 32.13 feet to the South line of the Northwest quarter of the Southwest quarter of Section 1 also being the Southeast corner of Quail Reserve 1;

Thence South 89° 39′ 07″ East, along the South line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 430.41 feet to the Southeast corner of Massie Tract as described in Exhibit C per Clark County Auditor's File No. 5448091;

Thence along the East line of said Exhibit C per Clark County Auditor's File No. 5448091 the following described course's;

Thence North 14°20'22" East, for a distance of 300.00 feet;

Thence North 67°53'13" West, for a distance of 166.00 feet;

Thence North 00°05′19" East, for a distance of 344.00 feet to the Northeast corner of said Exhibit C;

Thence North 89°39'17" West, along the North line of Exhibit C, for a distance of 297.53 feet;

Thence North 00°26'42" East, for a distance of 26.67 feet;

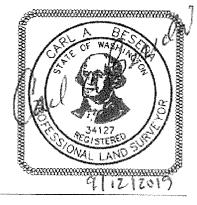
Thence North 89°38'33" West, for a distance of 247.01 feet to the **POINT OF BEGINNING**.

Contains approximately 9.22 acres.

SURVEYOR'S CERTIFICATE:

I, Carl A. Beseda, hereby declare that the preceding Legal Description is the Legal Description of the perimeter of this Plat to the

best of my knowledge and belief, and that it was reviewed with the care of a prudent surveyor in this locality.





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EXHIBIT B

DESCRIPTION & DEPICTION OF THE QR SEWER SYSTEM

The sewer system installed in the streets of Quail Reserve Phase 2, in 2020, as approximately depicted by the light gray lines in SE 13th Street, SE 14th Street, and SE 22nd Avenue in the drawing below.

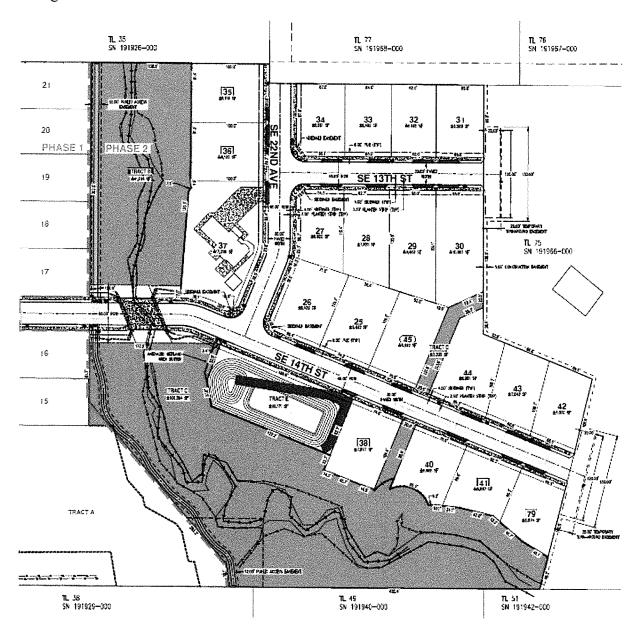


EXHIBIT C

NE Properties

APN: 191966-000 Property

Parcel I

That portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2. East of the Willamette Meridian, Clark County, Washington, described as follows:

COMMENCING at a 5/8" iron rod marking the Northwest corner of the Southwest quarter of Section 1, as shown in Book 26 of Surveys, page 110, records of Clark County, Washington; thence South 89°39'17" East, along the North line of said Southwest quarter, for a distance of 1007.61 feet to a 1/2 iron rod (Survey 26-110); thence South 00°05'19" West, parallel to the West line of the Southwest quarter, for a distance of 626.60 feet to a 1/2 inch iron rod (Survey 26-110) marking the Northwest corner of the Jack Massie Tract as described under Clark County Auditor's File No. 9706270369 and the Point of Beginning, also being the Southeast comer of the Kaski Tract as described under Clark County Auditor's File No. 9003260006; thence North 89° 39'17" West, along the South line of the Kaski Tract, for a distance of 50.00 feet; thence South 00° 05'19' West, parallel with the West line of the Southwest quarter, for a distance of 344.00 feet; thence South 67° 53'13" East, for a distance of 166.00 feet thence South 14° 20'22" West, for a distance of 300.00 feet to the South line of the Northwest quarter of the Southwest quarter of Section 1, also being on the South line of the Massie Tract (AFN 9706270369): thence South 89° 39'39" East, along said South line's, for a distance of 305,98 feet to the Southeast comer of said Massie Tract, also being the Southeast corner of the Northwest quarter of the Southwest comer of Section 1; thence North 00° 44'50" East, along the East line of the Northwest quarter of the Southwest quarter of Section 1, for a distance of 696.63 feet to a 1/2" iron rod (Survey 26-110) marking the Northeast corner of the Massie Tract; thence North 89° 39'17" West, along the North line of the Massie Tract for a distance of 343.99 feet to the Point of Beginning.

Parcel II

An easement for ingress, egress and utilities over and across the South 60 feet of the West 1320,00 feet of the Southwest quarter, of the Northwest quarter of Section 1, Township 3 North, Range 2 East of the Willamette Meridian, Clark County, Washington.

ALSO TOGETHER WITH a 30 foot wide private road and utility easement the Westerly and Southerly line of which are described as follows:

BEGINNING at the Northwest corner of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East of the Willamette Meridian, Clark County, Washington; thence South 89°39'17" East along the North line, of said Northwest quarter of the Southwest quarter, a distance of 660.01 feet to the True Point of Beginning, of this line description; thence South 00°05'19" West parallel with the West line of said Northwest quarter of the Southwest quarter a distance of 626.60 feet; thence South 89°39'17" East parallel with the North line of said Northwest quarter of the Southwest quarter, a distance of 691.59 feet to the terminus of said line description.

That portion of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, Clark County, Washington, described as follows:

BEGINNING at the Northwest corner of the Southwest quarter of said Section 1; thence South 89°39'17" East along the North line of said Southwest quarter, 1007.61 feet to a 1/2' iron rod with plastic cap and the True Point of Beginning; thence South 60°05'19" West, parallel to the West line of said Southwest quarter, 626.60 feet to a 1/2" iron rod with plastic cap; thence South 89°39'17" East parallel to the North line of said Southwest quarter, 343.99 seet to a 1/2" iron rod with plastic cap on the East line of the Northwest quarter; thence North 60°44'50" East Northwest quarter of said Southwest quarter, along the East line of the Northwest quarter of said Southwest quarter, 626.61 feet to a 1/2" iron rod with plastic cap on the North line of said Southwest quarter; thence North 89°39'17" West along the North line of said Southwest quarter; thence North 89°39'17" West along the North line of said Southwest quarter; thence North 89°39'17" West along the North line of said Southwest quarter; thence North 89°39'17" West along the North line of said Southwest quarter, 351.19 feet to the True Point of Beginning.

TOGETHER WITH an easement for ingress, egress and utilities over and across the South 60 feet of the West 1320.00 feet of the Southwest quarter of the Northwest quarter of Section 1, Township 3 North, Range 1 East, Willamette Meridian, Clark County, Washington.

TOGETHER WITH AND SUBJECT TO a 30 foot wide private road and utility easement the Westerly and Southerly line of which are described as follows:

BEGINNING at the Northwest corner of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East, Willamette Meridian, Clark County, Washington; thence South 89°39'17" East along the North line of said Northwest quarter of the Southwest quarter, a distance of 660.01 feet to the True Point of Beginning, of this line description; thence South 60°05'19" West parallel with the West line of said Northwest quarter of the Southwest quarter, a distance of 626.60 feet; thence South 89°39'17" East parallel with the North line of said Northwest quarter of the Southwest East parallel with the North line of said Northwest quarter of the Southwest quarter, a distance of 691.59 feet to the terminus of said line description.

APN: 191968-000 Property

That portion of the Northwest quarter of the Southwest quarter of Section 1. Township 3 North, Range 2 East of the Willamette Meridian, Clark County, Washington, described as follows:

BEGINNING at the Northwest corner of the Southwest quarter of said Section 1; thence South 89°39'17" East along the North line of said Southwest quarter, 660.01 feet to a 1/2-inch iron rod with a plastic cap and the true point of beginning; thence South 00°05'19" West, parallel to the West line of said Southwest quarter, 626.60 feet to a 1/2-inch iron rod with a plastic cap; thence South 89°39'17" East parallel to the North line of said Southwest quarter, 347.60 feet to a 1/2-inch iron rod with a plastic cap; thence North 00°05'19" East parallel to the West line of said Southwest quarter, 626.60 feet to a 1/2-inch iron rod with a plastic cap on the North line of said Southwest quarter; thence North 89°39'17" West along the North line of said Southwest quarter, 347.60 feet to the true point of beginning.

TOGETHER WITH an easement for ingress, egress and utilities over and across the South 60 feet of the West 1320.00 feet of the Southwest quarter of the Northwest quarter of Section 1, Township 3 North, Range 1 East of the Willamette Meridian, Clark County, Washington.

TOGETHER WITH a 30-foot wide private road and utility easement, the Westerly and Southerly lines of which are described as follows:

BEGINNING at the Northwest corner of the Northwest quarter of the Northwest quarter of the Southwest quarter of Section 1, Township 3 North, Range 2 East of the Willamette Meridian, Clark County, Washington; thence South 89°39'17" East along the North line of said Washington; thence South Southwest quarter, a distance of 660.01 feet to Northwest quarter of the Southwest quarter, a distance South true point of beginning of this line description; thence South 00°05'19" West parallel with the West line of said Northwest quarter of the Southwest quarter, a distance of 626.60 feet; thence South 89°39'17" East parallel with the North line of said Northwest quarter of the Southwest quarter, a distance of 691.59 feet to the terminus of said line description.