

RETURN ADDRESS:

General Counsel
Seattle Housing Authority
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KING COUNTY, WA

Name of Document: Declaration of Covenants, Conditions and Restrictions

Grantor: Housing Authority of the City of Seattle

Grantee: Rainier Vista and the public

Abbreviated Legal Description: SE ¼, SEC 16, TWP 24 N, RGE 4 E, WM
Portions of blocks
2,3,4,5,6,7,8,9,10,11,12,14,15,16,26,27,30,31,32,33,34,35,38,39,40,42,44,49,
51, and 52 Rainier Vista, according to the Plat thereof to be recorded in King
County, Washington.

Additional Legal Description: Exhibit A

Tax Account Numbers: 162404-9161-06
" - 9150-09
" - 9209-00

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FILED BY PNWT

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

RAINIER VISTA • SEATTLE, WASHINGTON

This Declaration, made this 8th day of October, 2003, by the Housing Authority of the City of Seattle, d/b/a/ Seattle Housing Authority ("Declarant"), is made with reference to the following facts:

Declarant is the owner of that certain real property in the City of Seattle, county of King, State of Washington, more particularly described on Exhibit A attached hereto and incorporated herein by this reference, (the "Property"). Declarant is developing the Property as part of the master planned residential community known as Rainier Vista. Declarant intends by this Declaration to: (1) impose upon the Property mutually beneficial restrictions under a general plan of improvement for the benefit of all subsequent owners of such properties; (2) establish a method for the administration, maintenance, preservation, use and enjoyment of the Property; and (3) to create covenants, conditions and restrictions to protect the value and desirability of the Property.

Declarant hereby declares that the Property shall be held, sold, used and conveyed subject to the provisions of this Declaration, which are for the purpose of protecting the value and desirability of and which shall run with title to the Property. This Declaration shall be binding on all parties having any interest in the Property, their heirs, successors and assigns, and shall inure to the benefit of each Owner.

Article 1. Definitions

1.1 Areas of Common Responsibility. The parking strip in the the public right of way adjacent to each Unit.

1.2 Articles. The Articles of Incorporation of Rainier Vista Homeowners Association as filed with the Secretary of State of the State of Washington.

1.3 Association. Rainier Vista Homeowners Association, its successors and assigns.

1.4 Attached Housing. Single family housing on Units with common walls with single family housing on other Units.

1.5 Base Assessment. Assessments levied on all Units subject to assessment under Article 7 hereof to fund Common Expenses for the general benefit of all Units, as more particularly described in Section 7.1 and 7.4.

1.6 Board of Directors or Board. The body responsible for administering the Association, as established by the Articles, selected as provided in the Bylaws, and serving as the board of directors under Washington corporate law.

1.7 Builder. Any person purchasing one or more Units to construct any improvements thereon for resale to consumers or for further subdivision, development and/or resale in the ordinary course of such Person's business.

1.8 Bylaws. The Bylaws of the Association attached as Exhibit B and incorporated herein by reference, as they may be amended from time to time.

1.9 Common Expenses. The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Units, including any reasonable reserve, all as may be found necessary and appropriate by the Board under this Declaration, the Bylaws and the Articles of the Association.

1.10 Community Wide Standards. Standards of conduct, maintenance or other activity generally prevailing throughout the Property, as may be more specifically determined from time to time by the Board.

1.11 Declarant. Seattle Housing Authority and its (a) successors by merger or consolidation, (b) successors in title, or (c) assignee, provided any such successor in title or assignee shall own or acquire for the purpose of development or sale all of the remaining unsold portions of the Property, and provided further, in the instrument of conveyance to any such successor in title or in a supplemental Declaration in the case of an assignment, such successor in title or assignee is designated as Declarant hereunder by the grantor of such conveyance or assignor, as the case may be, which grantor or assignor shall be the Declarant under this Declaration at the time of such Conveyance or assignment; provided further, upon such designation of such successor Declarant, all rights of the former Declarant in and to such status as Declarant under this Declaration shall cease, it being understood that as to all of the Property which is now or hereafter subjected to this Declaration, there shall be only on Declarant hereunder at any one point in time.

1.12 Detached Housing. Singlefamily Units with no common walls with other Units.

1.13 Member. A person entitled to membership in the Association.

1.14 Mortgage. Any mortgage, deed of trust, or similar instrument used for the purpose of encumbering Property as security for the payment or satisfaction of an obligation.

1.15 Mortgagee. The holder of a Mortgage.

1.16 Rainier Vista. The master planned community known as Rainier Vista, developed by SHA, including rental units, home ownership units, community facilities and parks, of which the Property is a part.

1.17 Owner. One or more Persons who hold the record title to any Unit, except persons holding an interest merely as security for the performance of an obligation, in which case the equitable owner will be considered the Owner. Unless a recorded contract of sale specifically provides otherwise, the purchaser, rather than the fee owner, will be considered the Owner.

1.18 Person. A natural person, corporation, partnership, trustee, or any other legal entity.

1.19 Property. The real property described on Exhibit A and all additional property subjected to this Declaration pursuant to Article 6.

1.20 Special Assessments. Assessments levied under Section 7.6.

1.21 Specific Assessments. Assessments levied under Section 7.7.

1.22 Submetered Utility Costs. The cost of utility services provided to Units by or through the Association under Section 3.10 and assessed to the Unit Owner under Section 7.13.

1.23 Supplemental Declaration. An amendment or supplement to this Declaration filed under Article 6 which subjects additional property to this Declaration and/or imposes, expressly or by reference, additional covenants, conditions or restrictions on the land described therein.

1.24 Unit. Any contiguous portion of the Property, whether improved or unimproved, other than property dedicated to the public, which may be independently owned, conveyed, developed and used as an attached or detached residence for a single family. The term shall refer to the land, if any, which is part of the Unit, as well as any improvements thereon, and shall include, by way of illustration but not limitation, townhouse units, condominium units, duplex units, triplex units, and single family units, as well as vacant land intended for development as such.

Article 2. Membership and Voting Rights

2.1 Membership. Every Owner shall have a membership in the Association. No Owner shall have more than one membership per Unit owned. If a Unit is owned by more than one Person, all co-Owners shall be entitled to the privileges of membership, subject to the restrictions on voting set forth in Section 2.2 and in the Bylaws. All co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners hereunder. The membership rights of an Owner who is a natural person may be exercised by the Member or his/her co-Owners. The membership rights of an Owner which is a corporation, partnership or other legal entity may be exercised only by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

2.2 Voting. Each Owner shall have one equal vote for each Unit which such Owner owns. There shall be only one vote per Unit. All co-owners of a Unit shall cast one whole vote among them. No fractional votes shall be cast.

Article 3. Rights and Obligations of the Association

3.1 Areas of Common Responsibility. The Association, subject to the rights of the Owners set forth in this Declaration, shall maintain the landscaping and irrigation in the Areas of Common Responsibility in an attractive condition and repair under the terms of this Declaration and consistent with Community Wide Standards.

3.2 Personal Property for Common Use. The Association, through action of its Board, may acquire, hold and dispose of tangible and intangible personal property and real property. Declarant may transfer to the Association personal property. Such property may be accepted and shall thereafter be held by the Association at its expense for the benefit of its Members, subject to any restrictions set forth in the conveyance.

3.3 Rules. The Association, through its Board, may make, modify and enforce reasonable rules governing the use of the Property, consistent with the rights and duties established by this Declaration, as provided in Article 9. Such rules shall bind all Owners, occupants, invitees, and licensees until and unless repealed or modified in a regular or special meeting of the Association by the vote of not less than 67% of the total votes cast.

3.4 Enforcement. The Association may impose sanctions for violations of this Declaration, the Bylaws, or rules, including, without limitation, reasonable monetary fines, late charges, interest and suspension of voting rights. In addition, under Section 3.22 of the Bylaws, the Association may exercise self-help remedies to cure violations and may suspend any services it provides to the Unit of any Owner 30 days or more delinquent in paying any assessment of other charge due to the Association. The Board may seek relief in any court for violations or to abate nuisances. Board actions to impose or seek sanctions shall be governed by the Bylaws.

3.5 Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration or the Bylaws or which may be reasonable implied from, or reasonably necessary to effectuate, any such right or privilege.

3.6 Indemnification. The Association shall indemnify the officers, directors and committee members as set forth in the Articles. The Association shall, as a common expense, maintain adequate general liability and officers and directors liability insurance to fund this obligation, if such insurance is reasonably available.

3.7 Security. Neither the Association, Declarant, nor any successor Declarant shall in any way be considered insurers or guarantors of security within the Property. Neither the Association, Declarant nor any successor Declarant shall be held liable for any loss or damage for failure to provide adequate security or ineffectiveness of security measures undertaken. All Owners and occupants of any Unit, and all tenants, guests, and invitees of any Owner, acknowledge that the Association and its Board, officers, Declarant any successor Declarant do not represent or warrant that any fire protection system or security system designated by or installed by Declarant or the Board or any committee may not be compromised or circumvented; nor that any

fire protection or burglar alarm systems or other systems will prevent loss by fire, smoke, burglary, theft, hold-up or otherwise; nor that fire protection or burglar alarm systems or other security systems will in all cases provide the detection or protection for which the system is designed or intended. All Owners and occupants of any Unit, and all tenants, guest and invitees of any Owner, acknowledge and understand that the Association, its Board, committees, officers, Declarant or any successor Declarant are not insurers. All Owners and occupants of any Unit, and all tenants, guests, and invitees of any Owner assume all risks for loss of damage to persons and to Units, and to the contents of Units, and further acknowledge that the Association, its Board, committees, officers Declarant or any successor Declarant have made no representations or warranties, nor has any Owner, occupant, or any tenant, guest or invitee of any Owner relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire and/or burglar alarm systems or other security systems recommended or installed or any security measures undertaken with the Property.

3.8 Utility Lines. Each Owner, occupant, guest and invitee acknowledges that neither the Association, the Board, the officers nor Declarant shall in any way be considered insurers or guarantors of health within the Property, and none of them shall be held liable for any personal injury, illness or any other loss or damage caused by the presence or malfunction of utility lines or utility sub-stations adjacent to, near, over or on the Property or Rainier Vista. Each owner, occupant, guest and invitee assumes all risk of personal injury, illness, or other loss or damage arising from the presence of utility lines or utility sub-stations and further acknowledges that neither Declarant nor the Association have made any representations or warranties, nor has any Owner, occupant, guest or invitee relied upon any representations or warranties, expressed or implied, relative to the condition or impact of utility lines or utility sub-stations.

3.9 Utility Services to Units. The Association may provide utility services to the Units, including, but not limited to, water, sewer and garbage, and assess the cost thereof to the Owners of the Units in accordance with usage.

Article 4. Maintenance

4.1 Association Responsibility for Areas of Common Responsibility. The Association shall provide routine landscape and irrigation maintenance in the Areas of Common Responsibility. The Association shall provide routine landscape maintenance to any property specified by any Supplemental Declaration or pursuant to any contract or agreement for maintenance entered into by the Association. The Association may also maintain other property which is not Areas of Common Responsibility, including property dedicated to the public, if the Board determines that such maintenance is necessary or desirable to maintain the Community Wide Standards. The Area of Common Responsibility shall not be reduced by amendment of this Declaration or any other means without prior written approval of Declarant so long as Declarant owns any property subject to the Declaration or which may be subjected to this Declaration by Declarant under Section 6.1.

4.2 Association Responsibility for Attached Housing. The Association shall be responsible for maintenance, repair and replacement of (a) the exterior of the Attached Housing, including the roofs, gutters, siding, porches and decks (but not doors or windows) and (b) utility lines used in common. The exterior of the Attached Housing shall be kept by the Association in a good state of repair. The cost of such maintenance, repair and replacement, including reserves therefor, shall be assessed by the Association equally against all owners of the Attached Housing within each building. Unless agreed to by all owners of the Attached Housing within a building, the materials used for repair or replacement will be similar in type, quality and color to the original. The Board shall levy Specific Assessments in the prorated share of the cost of such services on the Units to which such services were rendered, pursuant to Section 7.7. The Association may establish a separate reserve account for each building contained in Attached Housing, levy Specific Assessments against the Units in that building for reserves for repair and/or replacement of those portions of the building which the Association has responsibility to repair and/or replace under this Section and pay for the cost of such services rendered with respect to the building from the reserve account for that building.

4.3 Common Expense. Except as otherwise specifically provided, all costs for routine landscape and irrigation maintenance of the Areas of Common Responsibility shall be a Common Expense allocated among all Units as part of the Base Assessment without prejudice to the Association's right to seek reimbursement from Persons responsible for such work.

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4.4 Owner's Responsibility. Except as specifically set forth in Section 4.1 and 4.2 above, each Owner shall maintain his or her Unit, including, without limitation, all structures, landscaping, parking areas, and other improvements comprising the Unit consistent with the Community Wide Standards and all applicable covenants, unless such maintenance responsibility is assumed by or assigned to the Association or a Neighborhood Association. Each Owner shall refrain, and shall cause all occupants, tenants, guests and invitees to refrain, from damaging or causing excessive wear and tear in or to the exterior of any Unit of Attached Housing or to any of the landscaping in the Area of Common Responsibility. In addition to any other enforcement rights, if any Owner fails properly to maintain his or her Unit, or if any Owner or occupant, tenant, guest or invitee of any Unit damages or causes excessive wear and tear to the landscaping in the Area of Common responsibility, the Association may perform such maintenance or repair and assess the costs against the Unit and the Owner under Article 7; provided the Association shall give the Owner reasonable notice and an opportunity to perform such maintenance, unless the Board determines that maintenance is needed on an emergency basis.

4.5 Standard of Performance. Unless otherwise specifically provided in this Declaration or in other instruments creating and assigning such maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement, as necessary. All maintenance shall be performed consistent with the Community Wide Standards and all applicable covenants. Neither the Association, Declarant, or any Neighborhood Association shall be liable for any damage or injury occurring on or arising out of the condition of Property maintained by the Association.

4.6 Party Walls, Fences and Driveways. Each wall, fence or driveway built as a part of the original construction on the Units which serves or separates any two adjoining Units and is not the common property of the Association or dedicated to public use shall constitute a party wall, party fence, or party driveway. To the extent consistent with this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. The cost of reasonable repair and maintenance of party walls, fences and driveways shall be shared equally by the Owners abutting them. Any Owner whose Unit abuts the wall, fence or driveway may request of the Association that the Association restore it. Other Owners abutting the wall, fence or driveway, shall be assessed the costs of repair pursuant to Section 7.7 in equal shares without prejudice to any Owner's right to larger contribution from other abutters under any rule. Any Owner's right to contribution from another Owner under this Section shall be appurtenant to the land and shall pass to such Owner's success in title. Reciprocal easements for maintenance are established in Section 10.2.

Article 5. Insurance and Casualty Losses

5.1 Association Insurance.

(a) The Association, acting through its Board or its duly authorized agent, shall obtain blanket "all risk" insurance, if reasonably available, for all insurable improvements on the Areas of Common Responsibility for which it has assumed responsibility for maintenance, repair and/or replacement. If blanket "all risk" coverage is not generally available at reasonable cost, fire and extended coverage insurance, including coverage for vandalism and malicious mischief, shall be obtained. The face amount of the policy shall be sufficient to cover the full replacement cost of insured property.

(b) The Board shall also obtain a public liability policy covering the Association and the Area of Common Responsibility, insuring the Association and its Members for all damage or injury caused by the negligence of the Association, or its Members, employees, agents or contractors acting on its behalf. If generally available at a reasonable cost, the public liability policy shall have at least a \$5,000,000 combined

single limit per occurrence and in the aggregate. The Association shall also obtain, if reasonably available, an umbrella policy providing at least \$5,000,000 in additional coverage, bringing total liability coverage to at least \$10,000,000. Premiums for all insurance shall be Common Expenses included in the Base Assessment. The policies may contain reasonable deductibles which shall be disregarded in determining whether the insurance meets the coverage requirements. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance. However, if the Board reasonably determines, after notice and an opportunity to be heard under the Bylaws, that the loss resulted from negligence or willful misconduct of one or more Owners, then the Board may assess the full amount of such deductible against such Owner(s) and their Units under Section 7.7.

(c) The Association shall also obtain, as a Common Expense, a fidelity bond or bonds, if generally available at reasonable cost, covering all persons responsible for handling Association funds. The amount of the coverage shall be determined by the Board, but, if reasonably available, may not be less than twenty-five percent (25%) of the annual Base Assessments on all Units, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation, and shall require at least 30 days prior written notice to the Association of any cancellation, non-renewal or substantial modification. The Board shall conduct an annual review of the sufficiency of its insurance coverage by one or more qualified persons.

(d) The Board shall also obtain as a Common Expense, directors and officers liability insurance coverage in the amount of at least \$2,000,000, if reasonably available, insuring the Association and its officers, directors and committee members (former, present and future) from liability for actions or decisions for which the Association would have the duty to indemnify them under Section 3.6.

(e) All insurance coverage obtained by the Board on behalf of the Association shall: (i) be written with a company authorized to do business in Washington which holds a B or better general policyholder's rating or a financial performance index of 6 or better in the Best's Key Rating Guide, or an A or better rating from Demotech, Inc. or in the alternative, the highest rating generally available; (ii) be written in the name of the Association as trustee for the benefited parties (policies on the Areas of Common Responsibility shall be for the benefit of the Association and the Members); (iii) vest in the Board exclusive authority to adjust losses; provided that a Mortgagee having an interest in such losses may participate in any settlement negotiations; (iv) provide that it will not be brought into contribution with insurance purchased by individual Owners, occupants or their Mortgagees; (v) if for property insurance, have inflation guard endorsements, if reasonably available; (vi) if containing a co-insurance clause, have an agreed amount endorsement, if reasonably available; (vii) provide for a certificate of insurance to be furnished, a copy of which shall be provided to any Member upon request; (viii) provide that the Association shall be given not less than 30 days notice prior to any cancellation, non-renewal or substantial modification. The Board shall conduct an annual review of the sufficiency of its insurance coverage by one or more qualified persons.

(f) The Board shall also obtain as a Common Expense, worker's compensation and employer's liability insurance if and to the extent required by law, and such other insurance as it deems necessary or advisable.

5.2 Owner's Insurance. By taking title to a Unit subject to this Declaration, each Owner acknowledges that the Association has no obligation to provide any insurance for any portion of Units other than as set forth above, and covenants and agrees with all other Owners and with the Association to carry blanket "all risk" property insurance on his/her Unit and structures constructed thereon and a liability policy covering damage or injury occurring on the Unit. The casualty insurance shall cover loss or damage by fire and other hazards commonly insured under an "all risk" policy, if reasonably available including vandalism and malicious mischief, shall name the Association as an additional insured, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. If all-risk coverage is not reasonably available, Owners shall obtain, at a minimum, fire and extended coverage. These policies shall be in effect at all times, unless the Association carries insurance on such Unit. Each Owner further covenants and agrees that in the event of damage to or destruction of structures on his or her Unit, the

Owner shall promptly repair or reconstruct the damaged structure in a manner consistent with the original construction or other plans and specification approved under Article 9. Alternatively, the Owner may clear the Unit of all debris and ruins and thereafter maintain the Unit in a neat and attractive, landscaped condition consistent with the Community Wide Standards.

5.3 Damage and Destruction.

(a) Immediately after damage or destruction by fire or other casualty to all or any part of the Property covered by insurance written in the name of the Association, the Board or its agent shall file all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed Property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the condition existing prior to the damage, with any changes needed to comply with applicable building codes.

(b) Any damage to the Areas of Common Responsibility shall be repaired or reconstructed unless Owners representing at least 75% of the Units decide within 60 days after the loss either (i) not to repair or reconstruct, or (ii) to construct alternative improvements.

(c) If either the insurance proceeds or reliable, detailed estimates of the cost of repair or reconstruction of the Areas of Common Responsibility are not available to the Association within the 60 day period, then the period may be extended for not more than 60 additional days. If it is determined that the damage to the Area of Common Responsibility shall not be repaired or reconstructed and no alternative improvements on the affected portion of the Property are authorized, the affected area shall be cleared of all debris and thereafter maintained by the Association in a neat and attractive, landscaped condition consistent with the Community Wide Standards.

5.4 Disbursement of Proceeds. Any insurance proceeds remaining after paying for repair or reconstruction of the Area of Common Responsibility or, if no repair or reconstruction is made, after such settlement as is necessary and appropriate with the affected owner and their Mortgagees as their interests may appear, shall be retained by the Association and placed in a capital improvements account.

5.5 Repair and Reconstruction. If the insurance proceeds are insufficient to pay for repairing or reconstructing the damage to the Area of Common Responsibility, the Board may, during and following the completion of any repair or reconstruction and without membership approval, levy Special Assessments to pay for such repair or reconstruction against the Owners, or against one or more Owners pursuant to Section 7.7.

Article 6. Submission and Withdrawal of Property

6.1 Submission Without Approval of Membership. At any time until December 1, 2013, Declarant may unilaterally subject to the provisions of this Declaration all or any portion of the real property described in Exhibit B. Declarant also may unilaterally assign the right, privilege and option to submit property to this Declaration which is herein reserved to Declarant, provided that such transferee or assignee shall be the developer of at least a portion of the real property described in Exhibits A or B and that such assignment is memorialized in a written, recorded instrument executed by Declarant. Such submissions shall be accompanied by and effective upon filing a Supplemental Declaration submitting such property in the public records of King County, Washington. Such Supplemental Declarations do not require consent of the Members, but require the consent of the owner(s) of such property submitted.

6.2 Submission with Approval of Membership. The Association may submit real property other than that described on Exhibit B, and, after December 1, 2013, any property described on Exhibit B, to the provisions of this Declaration with (i) the consent of the owners of such property, (ii) the affirmative vote of Members representing at last 67% of the Units represented at a meeting duly called for such purpose, and (iii) the consent of Declarant so long as Declarant owns property subject to this Declaration or which may become subject to this Declaration in accordance with Section 6.1. Such submissions shall be accompanied by and

effective upon filing a Supplemental Declaration describing the property being submitted in the public records of King County, Washington signed by the President and Secretary of the Association and by the owner of the property being submitted.

6.3 Withdrawal of Erroneously Included Property. Declarant reserves the right to amend this Declaration unilaterally at any time until December 1, 2013, without prior notice or the consent of any Person, for the purpose of removing portions of the Property owned by Declarant or its affiliates from the provisions of this Declaration to the extent originally included in error.

6.4 Amendment. This Article shall not be amended without the prior written consent of Declarant so long as Declarant owns any property described on Exhibits A or B.

Article 7. Assessments

7.1 Creation of Assessments. There are hereby created four types of assessments for Association expenses: (a) Base Assessments to fund Common Expenses for the general benefits of all Units; (b) Special Assessments as described in Section 7.6; (c) Specific Assessments as described in Section 7.7; and (d) Assessments for Submetered Utility Costs as described in Section 7.13. Each owner, by acceptance of a deed or recording a contract of sale for any portion of the Property, is deemed to covenant and agree to pay these assessments as levied from time to time by the Association. The Association shall, on request, furnish to any Owner a written certificate setting forth whether assessments have been paid for any particular Unit, on advance payment of a reasonable processing fee as set by the Board.

All assessments, together with interest at a rate set by the Board (not to exceed 18% or the highest rate allowed by Washington law, if less) from the date of delinquency, late charges, costs, and reasonable attorney's fees, shall be a charge and a continuing lien upon each Unit against which the assessment is made until paid, as more particularly provided in Section 7.8. Each such assessment, with interest, late charges, costs of collection, including reasonable attorney's fees, also shall be the personal obligation of the Person who was the Owner of such Unit at the time the assessment arose. If title to a Unit is transferred, the grantee shall be jointly and severally liable for assessments and charges due at the time of conveyance, except that a first Mortgagee who obtains title to a Unit by exercising rights under the Mortgage shall not be liable for previously accrued assessments and related charges.

7.2 Payment of Assessments. Assessments shall be paid in a manner and by dates fixed by the Board. The Board may allow payment of assessments in installments. Unless the Board otherwise provides, one-twelfth of the Base Assessment shall be due in advance on the first day of each calendar month. If any Owner is delinquent in paying any assessments or charges levied on the Unit, the Board may require all unpaid assessment installments to be paid immediately. No Owner may exempt himself or herself from liability for assessments by non-use of Areas of Common Responsibility, abandonment of the Unit or any other means. The obligation to pay assessments is a separate and independent covenant by each Owner. No diminution or abatement of assessment or set-off shall be claimed or allowed for any alleged failure to the Association to take any action required of it or for inconvenience or discomfort arising from repairs or improvements or other actions of the Association.

7.3 Declarant Assessments. So long as and at any time that Declarant owns Units having more than half of the voting power of the Association, the Declarant may elect annually to pay the Association either (a) regular assessments on all of its unsold Units, notwithstanding the commencement date under Section 7.9, or (b) the difference between the amount of assessments against all other Units and the necessary expenditures of the Association during the fiscal year. Unless Declarant otherwise notifies the Board at least 60 days before the beginning of a fiscal year, Declarant shall continue to pay on the same basis as the preceding fiscal year. Declarant's obligations hereunder may be satisfied in cash, by "in kind" contributions of services or materials, or by a combination of these.

The Association is specifically authorized to enter into subsidy contracts or contract for "in kind" contributions of services and material with Declarant or others for payment of Common Expenses.

7.4 Computation of Base Assessment. At least 60 days before the beginning of each fiscal year, the Board shall prepare a budget for the estimated Common Expenses of the Association during the coming year, including capital contributions in accordance with reserve fund budgets prepared under Section 7.5, but not including expenses incurred during construction for initial site development, original irrigation installation, original landscaping installation, or other original construction costs. The Base Assessment shall be levied in aggregate amounts reasonably expected to produce income equaling the total budgeted Common Expenses, and shall be allocated among Units on an equitable basis. All Units of Attached Housing shall be assessed equally for the Base Assessment, and all Units of Detached Housing shall be assessed equally for the Base Assessment, with their respective shares of the Base Assessment reflecting the actual cost of providing landscape maintenance for the Areas of Common Responsibility associated with their respective Units. In determining assessments, the Board may consider other sources of funds available to the Association. In addition, the Board shall take into account the number of Units subject to assessment under Section 7.9 on the first day of the fiscal year for which the budget is prepared and the number of Units reasonably anticipated to become subject to assessment during the fiscal year.

The Board shall send to each Owner a copy of the Budget and notice of the amount of the Base Assessment against such Owner's Unit at least 30 days before the beginning of the fiscal year. The budget and assessment shall be effective unless disapproved at a meeting by a vote by Owners representing at least 67% of the Units. There shall be no obligation to call a meeting to consider the budget unless a petition of the Members, as provided for special meetings in the Bylaws, is presented to the Board within ten days after delivery of the notice of assessment. If a budget is disapproved or the Board fails to determine the budget for any year, until a budget is determined, the budget for the preceding year shall continue.

7.5 Reserve Budget and Capital Contribution. The Board shall annually prepare reserve budgets for both general and Neighborhood purposes which take into account the number and nature of replaceable assets owned or maintained by the Association, the expected life of each asset, and the expected repair or replacement cost. The Board shall include in Base Assessments and Neighborhood Assessments capital contributions amounts sufficient to meet these projected needs.

7.6 Special Assessments. In addition to other authorized assessments, the Association may levy Special Assessments from time to time to cover expenses greater or different than those budgeted. Special Assessments may be levied against the entire membership, if for Common Expenses, or against the Units within any Neighborhood, if for Neighborhood Expenses. Except as otherwise specifically provided in this Declaration, Special Assessments must be approved by the affirmative vote or written consent of Owners representing at least a majority of the total votes allocated to applicable Units. Special Assessments shall be paid in a manner and by dates fixed by the Board. The Board may allow payment in installments extending beyond the fiscal year in which the Special Assessment is approved.

7.7 Specific Assessments. The Board may specifically assess against particular Units expenses incurred by the Association to provide special benefits, items, or services (a) on request of the Owner of a Unit; (b) pursuant to the Association's maintenance obligations under Section 4.2 above; (c) made necessary by the conduct of the Owner or its licensees, invitees, or guests; or (d) necessary to bring the Unit, or the Neighborhood in which it is located, into compliance with this Declaration, the Articles, the Bylaws, or Association rules. Such Specific Assessments may be levied by the Board after notice to the applicable Owners and an opportunity for a hearing.

7.8 Lien for Assessments. The Association shall have a lien against each Unit to secure payment of delinquent assessments, interest late charges and costs of collection (including attorneys fees). Such lien shall be prior and superior to all other liens, except: (a) the liens for taxes and governmental assessments which by law are superior, and (b) the lien of any Mortgage of record (meaning any recorded Mortgage with priority over other

Mortgages) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment and foreclosure in the same manner as a Mortgage.

The Association may bid for a Unit at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Unit. When a Unit is owned by the Association following foreclosure, (a) no right to vote shall be exercised on its behalf, (b) no assessment shall be levied on it, and (c) each other Unit shall be charged, in addition to its usual assessment, its pro rata share of the assessment that would have been charged to such Unit had it not been acquired by the Association. The Association may sue to recover a money judgment for unpaid assessments and related charges, including attorney's fees, without foreclosing or waiving the lien securing the same.

The sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any assessments thereafter becoming due. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Unit obtains title pursuant to foreclosure of the Mortgage, it shall not be liable for the share of the assessments which became due prior to such acquisition of title. Such unpaid share of assessments shall be deemed to be common expenses collectible from Owners of all Units including such acquirer.

7.9 Date of Commencement of Assessments. The obligation to pay assessments shall commence to each Unit, after the Board first determines a budget and levies assessments, upon the earlier of (a) six months after the date of conveyance of any Unit by Declarant to a Builder, or (b) the date of conveyance of any Unit by Declarant to any Person other than a Builder. The first annual Base Assessment and Neighborhood Assessment, if any, levied on each Unit shall be adjusted according to the number of months remaining in the fiscal year at the times assessments commence on the Unit. Assessments for Submetered Utility Costs shall commence for each Unit when such utility services are provided to the Unit.

7.10 Failure to Assess. Failure of the Board to fix the assessment amounts or rates or to deliver assessment notices shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments on the same basis as for the prior year until a new assessment is made, at which time any shortfalls in collections may be assessed retroactively.

7.11 Capitalization of Residential Association. Upon acquisition of record title to a Unit by the first Owner other than a Builder, a contribution shall be made by or on behalf of the purchaser to the working capital of the Association in an amount equal to one-sixth of the annual Base Assessment per Unit for that year. This amount shall be in addition to, and not in lieu of, the annual Base Assessment levied on the Unit and shall not be considered an advance payment thereof. This amount shall be collected at the closing of the Unit and disbursed to the Association for use in covering operating and other expenses incurred by the Association under the terms of this Declaration and the Bylaws.

7.12 Exempt Property. The following Property is exempt from payment of Base Assessments, Neighborhood Assessments and Special Assessments; (a) all property dedicated to and accepted by any governmental authority including without limitation public streets, sidewalks and public parks, and (b) Property owned by the Association or any Neighborhood Association for the common use and enjoyment of their respective Members.

7.13 Assessments for Submetered Utility Costs. If the Association provides utility services to Units, the cost shall be assessed to the Units in accordance with usage as provided in this Section. The cost of water and sewer service to the Units shall be assessed to those Units based on water usage as determined by submeters maintained by the Association. The Association may require Owners to make monthly payments based on estimated or assumed usage provided that each Owner's water and sewer utility account is reconciled to actual usage at least annually. The cost of solid waste and recycling and any other utility service provided to Units by the Association shall be assessed to the Owners based on the cost to the Association of providing the service. Owners may be required to make and maintain security deposits for payment of such utilities.

Article 8. Architectural Standards

8.1 General.

(a) No improvements (including staking, clearing, excavation, grading and other site work), exterior alteration of existing improvements (including painting), placement or posting of any object or thing on the exterior of any Unit (e.g. fences, signs, antennas, satellite dishes, clotheslines, lighting, temporary structures, artificial vegetation, exterior sculptures, and fountains), or planting or removal of plants, trees, or shrubs in the Areas of Common Responsibility shall take place except in compliance with this Article and with the approval of the Declarant.

(b) An Owner may remodel or redecorate the interior of buildings in any manner desired, repaint the exterior of structures in accordance with the originally approved color scheme, or rebuild structures in accordance with originally approved plans and specifications without approval under this Article. Any modifications to the interior of porches, patios and similar portions of a Unit visible from outside the Unit, and modifications to enclose garages, porches or patios as living space shall require approval under this Article. Any request to enclose a garage must include plans for a replacement garage on the Unit. If approval of a garage enclosure is granted by the Declarant, such approval may be conditioned on the construction of a replacement garage.

(c) Upon completion of any construction, improvement or alteration to a Unit made in accordance with the procedures set forth in this Article and in compliance with the Design Guidelines (as defined herein), an Owner may request and the Association shall provide a written certificate in recordable form stating that such construction, improvement or alteration was completed in accordance with the procedures set forth in this Article and in compliance with the Design Guidelines. The Association may charge the Owner for the reasonable costs of providing such certificate. The Owner may, at his or her option, record such certificate in the public records of King County, Washington.

(d) Although all of the Attached Housing at Rainier Vista was built for sale to individual homeowners for single family occupancy, the Attached Housing was designed and developed to meet City of Seattle Building Code construction standards associated with multi-unit (R-1) occupancy buildings. All dwellings constructed on any Unit shall be designed by and built in accordance with the plans and specifications of a licensed architect and shall be constructed of new construction materials on-site unless otherwise approved by the Declarant. All dwellings and all improvements or remodels of dwellings or other structures on a Unit shall be constructed in compliance with all applicable building codes, and the Owner of such Unit shall obtain all permits required by law for such construction, improvement or remodel.

(e) This Article shall not apply to (a) activities of Declarant, or (b) improvements or modifications to the Area of Common Responsibility by or on behalf of the Association. This Article may not be amended without Declarant's written consent so long as Declarant owns any land subject to this Declaration or which it may unilaterally submit to this Declaration.

8.2 Architectural Review.

(a) Administration of the Design Book for Rainier Vista ("Rainier Vista Guidelines") and review of applications for construction and modifications under this Article shall be handled by a committee ("Design Review Committee") described below. The Design Review Committee shall also be entitled to review the applications for construction and modifications for compliance with the Design Guidelines and the Density Restrictions of the City of Seattle (collectively referred to herein as the "City Mandated Project Requirements") and to disapprove an application if the proposed construction or modifications do not comply with Rainier Vista Guidelines or City Mandated Project Requirements. However, the Design Review Committee's approval of (or failure to disapprove) an application for construction and modifications shall in no way be construed as confirmation, notification, indication or any other assurance that the proposed construction or modifications comply with the City Mandated Project Requirements and each applicant shall have an independent obligation to

ensure the compliance of its proposed construction or modifications with the City Mandated Project Requirements.

(b) The Design Review Committee shall consist of at least three, but not more than five, persons and shall have exclusive jurisdiction over all construction, modifications, additions or alterations on any Unit. Design Review Committee members need not be Owners and may, but need not, include architects, engineers or similar professionals, whose compensation, if any, shall be established by the Board. Until all Units have been conveyed to Owners other than builders in the normal course of development and sale, Declarant may appoint all members of the Design Review Committee who shall serve at its discretion. There shall be no surrender of this right prior to that time, except by a recorded instrument executed by Declarant. Upon expiration of such right, the Board shall appoint the members of the Design Review Committee, who shall serve at its discretion.

(c) The Board may establish reasonable fees for review of applications and require them to be paid prior to review.

8.3 Design Guidelines and Procedures.

(a) Declarant shall prepare initial design, development and construction guidelines and application and review procedures ("Rainier Vista Guidelines"), which may contain general provisions applicable to all of the Property and specific provisions which vary from one portion of the Property to another depending upon the location, characteristics, and intended use thereof. The Declarant shall adopt the Rainier Vista Guidelines and thereafter shall have sole and full authority to amend them without consent of the Owners. Any amendments shall not apply to construction and modifications when a complete application for approval has been submitted before the adoption and shall not require modifications to or removal of any previously approved construction or modification.

(b) The Design Review Committee shall make the Rainier Guidelines and the City Mandated Project Requirements (collectively the "Design Guidelines") available to Owners, builders and others who seek to engage in construction on any portion of the Property and all such Persons shall conduct their activities in accordance with such Design Guidelines.

(c) Plans and specifications consistent with the Design Guidelines showing the nature, kind, shape, color, size, materials, and location of all proposed construction and modifications shall be submitted to the Design Review Committee for review and approval. In reviewing each submission, the Design Review Committee may consider the quality of the workmanship and design, harmony of external design with existing structures, and location in relation to surrounding structures, topography, and finish grade elevation, and other factors, as well as the Design Guidelines. If the Design Review Committee fails to approve or to disapprove any application with 50 days after submission of all information and materials reasonably requested, the application shall be deemed approved. However, no approval, whether expressly granted or implied, shall be inconsistent with the Design Guidelines unless a variance has been granted in writing by the Design Review Committee under Section 8.5. If the Design Review Committee disapproves an application, it shall provide the applicant with a written report stating the reasons for disapproval not more than 20 days after disapproval.

8.4 No Waiver of Future Approvals. The approval of any proposals, plans, specifications, drawings or other matters in any one instance shall not be deemed a waiver of any right to withhold subsequent approval of any similar proposals, plans, specifications, drawing, or matters.

8.5 Variances. The Design Review Committee may authorize, in writing, variances from the Design Guidelines (but not City Mandated Project Requirements unless also authorized by the City of Seattle) and the procedures set forth in this Article, but only (a) in accordance with duly adopted rules and regulations, (b) when unique circumstances, such as unusual topography, natural obstructions, hardship, aesthetic or environmental conditions, require, and (c) when construction in accordance with the variance would be consistent with the purposes of the Declaration and compatible with existing and anticipated uses of adjoining

Property. Inability to obtain, or the terms of, any governmental approval, or the terms of any financing shall not be considered a hardship warranting a variance.

8.6 Rainier Vista Guidelines. All improvements constructed on the Property must comply with the requirements set forth in the Rainier Vista Guidelines. The Rainier Vista Guidelines are separate and apart from the City Mandated Project Requirements. To the extent the Rainier Vista Guidelines conflict with the City Mandated Project Requirements, the more stringent and restrictive requirements shall govern. Copies of the Rainier Vista Guidelines and the City Mandated Project Requirements may be obtained from the Design Review Committee or the Association and can also be found on file with the City of Seattle Department of Construction and Land Use ("DCLU").

8.7 Density Restrictions. No more than a total of 387 Units ("Maximum Unit Number") may be developed, constructed and operated on the Property ("Density Restrictions"). Attached as Exhibit C is a chart indicating the initial allocation of maximum Units on a block by block basis within the Property in compliance with the Maximum Unit Number ("Density Chart"). Declarant until December 1, 2013, and thereafter the Association, shall be entitled to amend the Density Chart from time to time to reallocate the Maximum Unit Number among the blocks, provided (a) the Units shown on the revised Density Chart do not exceed the Maximum Unit Number and (b) such reallocation does not result in any reduction in the number of Units that an Owner can construct, develop and operate on that portion of the Property owned by it, unless such Owner expressly consents in writing to such reduction. A copy of the most current Density Chart may be obtained from the Declarant or the Association, and each prospective Owner is responsible for becoming apprised of the then most current Density Chart prior to acquiring any portion of the Property. Whenever any portion of the Property is conveyed, the deed shall expressly refer to the Density Restrictions and identify the maximum number of Units that may be developed, constructed and operated on the property that is being conveyed by such deed.

8.8 Amendment of City Mandated Project Requirement Provisions. Notwithstanding anything to the contrary elsewhere in this Declaration, Sections 8.6, 8.7 and 8.8 of this Declaration may only be amended, terminated or otherwise modified with the written consent of DCLU or its successor agency.

8.9 Limitation of Liability. The Design Review Committee shall not be responsible for the structural integrity or soundness of approved construction or modification, or for ensuring compliance with the City Mandated Project Requirements, the applicable building codes and other governmental requirements. Neither Declarant, the Design Review Committee, the Association, the Board, any committee, nor any member of any of them shall be liable for any injury, damages or loss arising out of the manner or quality of approved construction or modification.

8.10 Enforcement. Any construction, alteration or other work done in violation of this Article shall be deemed nonconforming. On written request from the Board or Declarant, Owners shall, at their own expense, cure such nonconformance to the satisfaction of the requester or restore the Property to substantially the same condition as existed prior to the nonconforming work. If an Owner fails to so cure or restore, the Board, Declarant or their designees may do so at the Owner's expense and assess the cost against the benefited Unit as a Specific Assessment under Section 7.7.

Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with this Article may be excluded by the Board from the Property, subject to the notice and hearing procedures in the Bylaws. In such event, neither the Association, its officers, directors or agents shall be held liable to any Person for exercising the rights granted by this paragraph. In addition, the Board may, on behalf of the Association, pursue all legal and equitable remedies available to enforce this Article and the decisions of the Declarant.

Article 9. Use Guidelines and Restrictions

9.1 Plan of Development; Applicability; Effect. Declarant has created Rainier Vista as a master planned community which includes residential, community and open space property. The Property, as part of

Rainier Vista, is subject to land development, architectural, and design guidelines as set forth in Article 8, and also to guidelines and restriction governing land use, individual conduct and uses of or actions upon the Property, as provided in this Article 9. Guidelines dealing with architecture and design are set forth in Article 8. This Declaration and resolutions the Board may adopt establish affirmative and negative covenants, easement, and restrictions (the "Use Guidelines and Restrictions").

All provisions of the Declaration and of any rules shall also apply to all occupants, tenants, guests and invitees of any Unit. The Owner shall cause all occupants of his or her Unit to comply with these provisions. Every Owner shall be responsible for all violations and losses to the Association and any other Member caused by such occupants, although the occupants also are fully liable and may be sanctioned for such violations and losses. Any lease on any Unit shall provide that the lessee and all occupants of the leased Unit shall be bound by the terms of this Declaration, the Bylaws and the rules of the Association.

Declarant has promulgated Rainier Vista's general plan of development in order to protect all Owner's quality of life and collective interests, the aesthetic and environment within the Property, and the vitality of and sense of community within Rainier Vista, all subject to the Board's ability to respond to changes in circumstances, conditions, needs and desires within the community.

Declarant has prepared initial Use Guidelines and Restrictions which contain general provisions applicable to all of the Property, as well as specific provisions may vary within the Property, depending upon the location, characteristics, and intended use. Such use Guidelines and Restrictions are set forth in Section 9.6. Based upon these Use Guidelines and Restrictions, the Board shall adopt the initial rules at its initial organizational meeting. The Board shall provide, without cost, a copy of the Use Guidelines and Restrictions and the Rules then in effect to all new Members at the time of acquisition of a Unit and to any Mortgagee upon request.

9.2 Board Power. Subject to the terms of this Article 9 and to its duty of care and undivided loyalty to the Association and its Members, the Board shall implement and manage the Use Guidelines and Restrictions through rules which adopt, modify, cancel, limit, create exceptions to, or expand the Use Guidelines and Restrictions. Prior to any such action, the board shall conspicuously publish notice of the proposal at least five business days prior to the Board meeting. Members shall have a reasonable opportunity to be heard at a Board meeting prior to action being taken. The Board shall have all powers necessary and proper, subject to its exercise of sound business judgment and reasonableness, to effect the duties contained in this Section 9.2.

The Board shall send a copy of any proposed new rule or amendment to each Owner at least 30 days prior to its effective date. The rule shall become effective unless disapproved at a meeting by Owners representing a least 67% of the Units. The Board shall have no obligation to call a meeting of the Members to consider disapproval except upon petition of Members as required for special meetings in Section 2.4 of the Bylaws.

9.3 Members' Power. Members, at a meeting duly called for such purpose as provided in Article 2 of the Bylaws, may adopt, repeal, modify, limit and expand Use Guidelines and Restrictions and implement rules by a vote of Owners representing at least 67% of the Units.

9.4 Owner's Acknowledgment. All Owners are subject to the Use Guidelines and Restrictions and are given notice that (a) their ability to use their privately owned property is limited thereby, and (b) the Board may add, delete, modify, create exceptions to, or amend the Use Guidelines and Restrictions in accordance with Sections 9.2, 9.3, and 14.2. EACH OWNER BY ACCEPTANCE OF A DEED ACKNOWLEDGES AND AGREES THAT THE USE AND ENJOYMENT AND MARKETABILITY OF HIS OR HER PROPERTY CAN BE AFFECTED BY THIS PROVISION AND THAT THE USE GUIDELINES AND RESTRICTIONS AND RULES MAY CHANGE FROM TIME TO TIME.

9.5 Rights of Owners. Except as may be contained in Section 9.6 neither the Board nor the Association may adopt any rule in violation of the following provisions:

(a) Equal Treatment. Similarly situated Owners and residents shall be treated similarly.

(b) Speech. The rights of Owners and occupants to display on their Unit political signs and symbols of the kinds normally displayed in or outside of residences located in residential neighborhoods an individually owned property shall not be abridged, except that the Association may adopt reasonable time, place and manner restrictions for the purpose of minimizing damage and disturbance to other Owners and occupants.

(c) Religious and Holiday Displays. The right of Owners to display on their Unit religious and holiday signs, symbols, and decorations of the kinds normally displayed in or outside of residences located in residential neighborhoods shall not be abridged, except that the Association may adopt reasonable time, place and manner restrictions for the purpose of minimizing damage and disturbance to other Owners and occupants.

(d) Household Composition. The Association or Board shall make no rule that interferes with the freedom of occupants to determine the composition of their households, except that the Association shall have the power to require that all occupants be members of a single housekeeping unit and to limit the total number of occupants permitted in each Unit on the basis of the size and facilities of the Unit, to the extent not prohibited by law.

(e) Activities Within a Unit. Neither the Association nor the Board shall make any rule that interferes with the otherwise lawful activities of the residents carried on within the confines of their Unit, except that the Association may prohibit activities not normally associated with property restricted to residential use, and it may restrict or prohibit any activities that impose monetary costs on the Association or other Owners, that create a danger to the health or safety of other occupants, that generate excessive noise or traffic, that create unsightly conditions visible outside the Unit, that block the views from other Units, or that create an unreasonable source of annoyance.

(f) Pets. Unless the keeping of pets is prohibited at the time of the sale of the first Unit in any Neighborhood by rule, Use Guidelines and Restrictions or Supplemental Declaration, no rule prohibiting the keeping of ordinary household pets shall be adopted thereafter over the objection of any Owners expressed in writing to the Association. Notwithstanding the above, the Association or Board may adopt reasonable regulation designed to minimize the damage and disturbance to other Owner and occupants, including regulation requiring damage deposits, waste removal, leash control, noise controls, occupancy limits based on size and facilities of the Unit and fair share of the Area of Common Responsibility. Nothing in this provision shall prevent the Association from requiring removal of any animal that presents an actual threat to the health or safety of residents or from requiring abatement of any nuisance or unreasonable source of annoyance.

(g) Alienation. The Association or Board shall not adopt rules that prohibit transfer of any Unit, or require consent of the Association or Board for transfer of any Unit, for any period greater than one month. The Association or Board shall not impose any fee on transfer of any Unit greater than an amount reasonable based on the cost of the transfer to the Association.

(h) Reasonable Rights to Develop. Neither the Association nor the Board shall adopt any rule or take any action which would unreasonably impede Declarant's right to Develop in accordance with the master plan.

9.6 Initial Use Guidelines and Restrictions.

(a) General. The Property shall be used only for residential and related purposes (which may include offices for the Association consistent with this Declaration and any Supplemental Declaration.) Any Supplemental Declaration or additional covenants imposed on the property within any Neighborhood may impose stricter standards than those contained in this Article, and the Association shall have standing and the power to enforce such standards.

(b) Restricted Activities. The following activities are prohibited within the Property unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board:

- (1) Parking of commercial vehicles, recreational vehicles, mobile homes, boats or other watercraft, or other oversized vehicles, stored vehicles or inoperable vehicles in places other than enclosed garages.
- (2) Maintenance or repair of any vehicle except in enclosed garages, except for the occasional minor repair of a vehicle owned by a resident of the Unit where the vehicle is parked.
- (3) Capturing, trapping, injuring or killing of wildlife within the Property, except in circumstances posing an imminent threat to the safety of persons using the Property or except as required or permitted by any applicable governmental authority.
- (4) Chasing, injuring or killing of wildlife within the Property by pets of Owners or occupants of Units within the Property.
- (5) Raising, breeding, or keeping of animals, livestock, or poultry of any kind, except that a reasonable number of dogs, cats, or other usual and common household pets may be permitted in a Unit. However, no pets shall be permitted to roam free, or make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Units. Any such pet shall be removed from the Property upon the request of the Board. If the pet owner fails to honor such request, the Board may remove the pet.
- (6) Obstruction of or rechanneling of drainage flows after installation of drainage swales, storm sewers, or storm drains, except that the Declarant and the Association shall have such right; provided, the exercise of such right shall not materially diminish the value of or unreasonably interfere with the use of any Unit without the Owner's consent.
- (7) Subdivision of a Unit into two or more Units, or changing the boundary lines of any Unit, except that Declarant shall be permitted to subdivide or change the boundary lines of Units which they own.
- (8) Operation of a timesharing, fraction-sharing or similar program whereby the right to exclusive use of the Units rotates among participants in the program on a fixed or floating time schedule over a period of years.
- (9) Conversion of any carport, garage, attic or other unfinished space, other than a basement, to finished space for use as an apartment or other integral part of the living area of any Unit.
- (10) Any business, trade, garage sale, moving sale, rummage sale, or similar activity, except that an Owner or occupant residing in a Unit may conduct business activities within the Unit so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (b) the business activity conforms to all zoning requirements for the Property; (c) the business activity does not involve regular visitation of the Unit by clients, customers, suppliers, or other business invitees, or door to door solicitation of residents of the Property; and (d) the business activity is consistent with the residential character of the Property and does not constitute a

nuisance or a hazardous or offensive use or threaten the security or safety of other resident of the Property, as may be determined in the sole discretion of the Board.

This subsection shall not apply to any activity conducted by the Declarant with respect to its development and sale of the Property.

- (11) Any construction, erection, modification or placement, permanently or temporarily, on the outside portion of the Unit, whether such portion is improved or unimproved, except as provided in Article 8.

Article 10. Easements

10.1 Easements of Encroachment; Waiver of Adverse Possession. The Owner of every Detached Unit hereby grants a perpetual appurtenant easement to the Owner of each adjacent Unit, and the Owner of every Attached Unit hereby grants a perpetual appurtenant easement to the Association and to the Owner of each adjacent Unit, for maintenance, (including, for Attached Units, the maintenance to be performed by the Association pursuant to Section 4.2 above) and use of any permitted encroachment, between each Unit and any adjacent Units due to the unintentional placement or settling or shifting of the improvement constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than two feet, as measured from any point on the common boundary along a line perpendicular to such boundary. The Owners of every Unit hereby waive all claims of adverse possession against the Owner of any adjacent Unit arising out of encroachments, gaps between structures and property lines.

10.2 Easement for Party Wall. The Owner of every Unit hereby grants a perpetual appurtenant easement to the Owner of each adjacent Unit for maintenance of party walls, party fences, or party driveways between each Unit and any adjacent Units, and Owners of Units of Attached Housing hereby grant a perpetual appurtenant easement to the Association for maintenance of party walls, fences, or party driveways between each Unit of Attached Housing, pursuant to the maintenance obligations set forth in Sections 4.2 and 4.4. The cost of reasonable repair and maintenance of party walls, fences and driveways shall be shared equally by the Owners abutting them. To the extent damage to a party wall, fence or driveway of Detached Housing from fire or other casualty is not repaired out of the proceeds of insurance, any Owner whose Unit abuts the wall, fence or driveway may restore it. The Association shall restore all damage to party walls, fences and driveways of Attached Housing pursuant to Section 4.2. Owners abutting the wall, fence or driveway, shall contribute to the restoration costs in equal shares without prejudice to any Owner's right to large contribution from other abutters under any rule of law. Any Owner's right to contribution from another Owner under this easement shall be appurtenant to the land and shall pass to such Owner's successor in title.

10.3 Easements for Emergency and Enforcement. Authorized agents of the Association shall have the right, but not the obligation, and a perpetual easement is hereby granted to the Association, to enter all portions of the Property, including each Unit, for emergency, security, safety reasons and for enforcement of the provisions of this Declaration. Except in emergencies, entry onto a Unit shall be only during reasonable hours and after notice to and permission from the Owner thereof. This easement includes the right to enter any Unit to cure any condition which increases the risk of fire or other hazard if an Owner fails or refuses to cure the condition within a reasonable time after request by the Board. In addition, the Association may enter a Unit to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Declaration, the Bylaws, or the rules. This easement shall be exercised with a minimum of interference to the quiet enjoyment to Owner's Property. All cost incurred in enforcing the Declaration, the Bylaws or the Rules shall be assessed against the violator as a Specific Assessment.

10.4 Easements for Utilities, Etc. Declarant reserves unto itself, so long as it owns any Property described on Exhibit A or B, and grants to the Association an easement for the purposes of access and maintenance upon, across, over and under all of the Property to the extent reasonably necessary to install, replace, repair and maintain cable television systems, master television antenna systems, security and similar

systems, roads, walkways, bicycle pathways, lakes, ponds, wetlands, drainage systems, street lights, signage, and all utilities, including but not limited to water, power, meter boxes, telephone, gas, and electricity. The Declarant and/or the Association may assign these rights to any local utility supplier, cable company, security company or other company providing a service or utility to Rainier Vista subject to the limitations herein. Notwithstanding anything to the contrary herein, this easement shall not entitle the holders to construct or install any of the foregoing systems, facilities, or utilities over, under or through any existing dwelling on a Unit, and any damage to a Unit resulting from the exercise of this easement shall promptly be repaired by, and at the expense of, the Person exercising the easement. Exercise of this easement shall not unreasonably interfere with the use of any Unit and except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or occupant. No utilities may be installed or relocated on the Property without approval of the Board or as provided by Declarant.

10.5 Easement for Maintenance of Structures. The Owner of every Unit hereby grants a perpetual appurtenant easement to the Owner of each adjacent Unit, and to the Association with respect to Attached Units, for the maintenance of the exterior structures on the adjacent Unit. This easement shall include the area of the grantor's property within five (5) feet of the exterior wall of any structure on grantee's property.

10.6 Easement for Maintenance of Areas of Common Responsibility. Authorized agents of the Association shall have the right, but not the obligation, and a perpetual easement is hereby granted to the Association, to enter onto the Areas of Common Responsibility to perform its maintenance responsibilities under Section 4.1. Except in emergencies, entry onto a Unit shall be only during reasonable hours. This easement shall be exercised with a minimum of interference to the quiet enjoyment to Owner's Property, and any damage caused by such entry shall be repaired by the Association at its expense.

10.7 Owners' Easements for Utility Lines. The Owner of every Unit of Attached Housing hereby grants a perpetual appurtenant easement to the Owners of the other Units within the grantor's Attached structure for the placement, maintenance, repair and/or replacement of common utility lines serving such Attached structure. The cost of reasonable repair and maintenance shall be shared equally by the Owners of Units within such Attached structure. To the extent damage to a common utility line from fire or other casualty is not repaired out of the proceeds of insurance, any Owner whose Unit is affected by such damage may restore it. The Association shall restore all damage to common utility lines within Attached Housing pursuant to Section 4.2. Owners within the Attached structure shall contribute to the restoration costs in equal share without prejudice to any Owner's right to larger contribution from other Owners within such Attached structure under any rule of law. Any Owner's right to contribution from another Owner under this easement shall be appurtenant to the land and shall pass to such Owner's successor in title.

10.8 Easement for Tree Preservation. Certain trees on Lots 16, 17 and 18 in Block One, and on Lots 1 and 7 in Block Six of the Property have been designated as "Trees to Remain-For Sale Areas" (the "Protected Trees") in a Tree Retention and Removal Plan dated July 15, 2002, copies of which may be obtained from the Declarant, the Association or DCLU. The Protected Trees may not be removed except as provided in the Tree Retention and Removal Plan. The Association shall have an easement over such Lots for the purpose preserving, protecting and maintaining the Protected Trees for the benefit of all members of the Association and the public. The Association shall be responsible for the maintenance of the Protected Trees, and the Owners of Units containing Protected Trees shall not cut down, trim, prune, fertilize or otherwise interfere with the growth, maintenance or preservation of such trees.

Article 11. Mortgagee Provisions

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Units in the Property. This article applies to both this Declaration and the Bylaws, notwithstanding any other provisions contained therein.

11.1 Notices of Action. An institutional holder, insurer or guarantor of a first Mortgage who provides written request to the Association (such request to state the name and address of such hold, insurer or

guarantor and the street address of the Unit to which its Mortgage relates, thereby becoming and "Eligible Holder" will be entitled to timely written notice of:

(a) Any condemnation or casualty loss which affects a material portion of the Property or which affects any Unit on which there is a first Mortgage held, insured or guaranteed by such Eligible Holder.

(b) Any delinquency in the payment of assessments or charges by the Owner of any Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days. Notwithstanding this provision, upon request, any holder of a first Mortgage is entitled to written notice from the Association of any default in the performance by an Owner of a Unit of any obligation under the Declaration or Bylaws which is not cured within 60 days.

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

(d) Any proposed action requiring the consent of a specified percentage of Eligible Holders.

11.2 Other Provisions for First Lien Holders. To the extent possible under Washington law:

(a) Any restoration or repair of the Property after a partial condemnation or damage due to an insurable hazard shall be performed substantially in accordance with this Declaration and the original plans and specifications unless the approval is obtained of the Eligible Holders of first Mortgages on Units to which at least 51% of the votes of Units subject to Mortgages held by such Eligible Holders are allocated.

(b) Any election to terminate the Association after substantial destruction or a substantial taking in condemnation shall require the approval of the Eligible Holders of first Mortgages on Units to which at least 51% of the votes of Units subject to Mortgages held by such Eligible Holders are allocated.

11.3 Amendments to Documents. The following provisions do not apply to amendments to the constituent documents or termination of the Association made as a result of destruction, damage, or condemnation under Section 14.2(a) or (b), or to the addition of land in accordance with Article 6:

(a) The consent of Owners representing at least 67% of Units, and of Declarant so long as it owns any land subject to this Declaration or which may be subjected by Declarant under Section 6.1, and the approval of the Eligible Holders of first Mortgages on Units to which at least 67% of the Votes of Units subject to a Mortgage held by an Eligible Holder appertain, shall be required to terminate the Association.

(b) The consent of Owners representing at least 67% of the Units, and of Declarant so long as it owns any land subject to this Declaration or which may be subjected by Declarant under Section 6.1, and the approval of the Eligible Holders of first Mortgages on Units to which at least 51% of the votes of Units subject to a Mortgage held by an Eligible Holder appertain, shall be required to materially amend any provisions of this Declaration, Bylaws, or Articles, or to add any material provisions thereto which establish, provide for, govern or regulate any of the following: (i) assessment, assessment liens, or subordination of such liens; (ii) reserves for maintenance, repair and replacement of the landscaping in the Area of Common Responsibility; (iii) insurance or fidelity bonds; (iv) responsibility for maintenance and repair of the Property; (v) the withdrawal of Property from the Association; (vi) leasing of Units; (vii) imposition of any right of first refusal or similar restriction on the right of any Owner to sell, transfer, or otherwise convey his or her Unit; or (viii) any provisions included in the Declaration, Bylaws or Articles which are for the express benefit of holder, guarantors or insurers of first Mortgages on Units.

11.4 Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

11.5 Applicability of Article 14. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, Bylaws or Washington law for any of the acts set out in this Article.

11.6 Failure to Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request.

Article 12. Dispute Resolution

12.1 Agreement to Avoid Costs of Litigation and to Limit Right to Litigate Disputes. The Association, Declarant, Owners, all Persons subject to this Declaration, and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively "Bound Parties") agree to encourage the amicable resolution of all disputes involving the Property, and to avoid the emotional and financial costs of litigation if at all possible. Accordingly, each Bound Party covenants and agrees that all claims, grievances or disputes between such Bound Party and any other Bound Party involving the Property, including without limitation claims, grievances or disputes arising out of or relating to the interpretation, application or enforcement of this Declaration, the Bylaws, the Association rules or the Articles, (collectively "Claim"), except for those Claims authorized in Section 12.2, shall be resolved using the procedures set forth in Section 12.3 in lieu of filing suit in any court or initiating proceedings before any administrative tribunal.

12.2 Exempt Claims. The following Claims ("Exempt Claims") shall be exempt from the provisions of Section 16.3:

(a) Any suit by the Association against any Bound Party to enforce the provisions of Article 7.

(b) Any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Articles 8, 9 and the Use Guidelines and Restrictions and rules of the Association.

(c) Any suit between Owners (other than Declarant) seeking redress on the basis of a Claim which would constitute a cause of action under the laws of the State of Washington in the absence of a claim based on the Declaration, Bylaws, Articles or rules of the Association.

(d) Any suit by the Association in which similar or identical claims are asserted against more than one Bound Party.

(e) Any suit by a Bound Party for declaratory or injunctive relief which seeks a determination as to applicability, clarification or interpretation of any provision of this Declaration.

Any Bound Party having an Exempt Claim may submit it to the alternative dispute resolution procedures set forth in Section 12.3, but there shall be no obligation to do so. The submission of an Exempt Claim involving the Association to the alternative dispute resolution procedure of Section 12.3 shall require the approval of the Association.

12.3 Mandatory Procedure for All Other Claims. All Claims other than Exempt claims shall be resolved using the following procedures:

(a) Notice. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent"), other than an Exempt Claim, shall notify each Respondent in writing of the claim (the "Notice"), stating plainly and concisely:

1. The nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim.
2. The basis of the claim (i.e. the provisions of this Declaration, the Bylaws, the Articles or rule or other authority out of which the claim arises).
3. What Claimant wants Respondent to do or not to do to resolve the Claim.
4. That Claimant wishes to resolve the Claim by mediation with Respondent and is submitting the Claim to mediation under the auspices of the King County Dispute Resolution Center, the Snohomish County Dispute Resolution Center, or such other independent agency providing similar services upon which the parties may mutually agree.

(b) Mediation. If Claimant does not submit the Claim to mediation within 30 days after the date of the Notice, Claimant shall be deemed to have waived the claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Person not a Party to the foregoing proceedings.

If the Parties do not settle the Claim within 30 days after submission of the matter to the mediation process, or within such time as determined reasonable or appropriate by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth when and where the Parties met, that the Parties are at an impasse, and the date that mediation was terminated.

Each Party shall, within five days of the Termination of Mediation, make a written offer of settlement in an effort to resolve the Claim. The Claimant shall make a final written settlement demand ("Settlement Demand") to the Respondent. The Respondent shall make a final written settlement offer ("Settlement Offer") to the Claimant. If the Claimant fails to make a Settlement Demand, Claimant's original Notice shall constitute the Settlement Demand. If the Respondent Fails to make a Settlement Offer, Respondent shall be deemed to have made a "zero" or "take nothing" Settlement Offer.

(c) Final and Binding Arbitration. If the parties do not agree in writing to accept either the Settlement Demand, the Settlement Offer, or otherwise resolve the Claim within 15 days of the Termination of Mediation, the Claimant shall have 15 additional days to submit the Claim to arbitration or the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings. Arbitration shall be conducted by Judicial Arbitration Services, JAMS/Endispute, American Arbitration Association, or such other commercial arbitration service selected by the Claimant and agreeable to the Respondent. The parties shall abide by the rules of arbitration designated by the arbitrator.

12.4 Allocation of Costs of Resolving Claims.

(a) Each Party shall bear its own costs incurred prior to and during the proceeding described in Section 12.3(a) and (b), including the fees of its attorney or other representative. Each Party shall share equally in all charges rendered by the mediator(s) pursuant to Section 12.3(b).

(b) Each Party shall bear its own costs (including the fees of its attorney or other representative) incurred after the Termination of Mediation under Section 12.3(b) and shall share equally in the costs of conducting the arbitration proceeding (collectively, "Post Mediation Costs"), except as otherwise provided in Section 12.4(c).

(c) Any Award which is equal to or more favorable to Claimant than Claimant's Settlement Demand shall add such Claimant's Post Mediation Costs to the Award, such Costs to be borne equally by all Respondents. Any Award which is equal to or less favorable to Claimant than Respondent's Settlement Offer to that Claimant shall also award to such Respondent its Post Mediation Costs, such Costs to be borne by all such Claimants.

12.5 Enforcement of Resolution. If the Parties agree to resolve any Claim through mediation in accordance with Section 12.3 and any Party thereafter fails to abide by the terms of such agreement, or if the Parties agree to accept the Award following arbitration and any Party thereafter fails to comply with such Award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or Award without the need to again comply with the procedures set forth in Section 12.3. In such event, the party taking action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rate) all costs incurred in enforcing such agreement or Award, including, without limitation, attorneys fees and court costs.

Article 13. Rental of Units

13.1 Conditions of Rental. No Owner may rent a Unit to a non-Owner without complying with the following provisions:

(a) In addition to any criteria established by the Owner, all prospective tenants shall be screened by a commercial tenant screening company selected by the Board to determine that the tenant's occupancy of the Unit will not denigrate the Property. The criteria used by the screening company shall be specified by the Board from time to time, but shall be similar in nature to the criteria used by the SHA for screening its market-rate tenants in Rainier Vista. Prior to executing a lease with a tenant or allowing a tenant to take possession of a Unit, whichever comes first, the Owner of the Unit shall deliver to the Board a written confirmation from the tenant screening company that the tenant has been approved.

(b) Prior to executing a lease with a tenant or allowing a tenant to take possession of a Unit, whichever comes first, the Owner shall (i) deliver to the tenant a copy of this Declaration as well as a copy of the Rules established by the Board from time to time; (ii) provide the board with a copy of the Lease, the tenant's name, address and telephone number, and the mailing address and telephone number of the Owner; and (iii) deliver to the Board a rental fee in an amount to be established from time to time by the Board, to cover the Board's expenses.

Article 14. General Provisions

14.1 Term. This Declaration shall run with and bind the Property, and shall inure to the benefit of and shall be enforceable by the Declarant, the Association, and the Owners, their respective representative, heirs, successors, and assigns, perpetually, to the extent allowed by law.

14.2 Amendment.

(a) By Declarant. Any time prior to December 1, 2013, Declarant may unilaterally amend this Declaration if such amendment is necessary to: (i) bring any provision into compliance with any applicable government statute or regulation or judicial determination; (ii) enable any reputable title insurance company to issue title insurance coverage on the Units; (iii) enable any institution or government agency to make or purchase mortgage loans on the Units; (iv) enable any government agency or reputable private insurance company to insure or guarantee mortgage loan on the Unit; or (v) otherwise satisfy the requirements of any government agency or governmental regulation. However, any such amendment shall not adversely affect the title to any Unit without the written consent of its Owner. So long as Declarant owns property described in Exhibit A or B for development as part of the Property, it may unilaterally amend this Declaration for any other purpose, provided the amendment has no material adverse effect up on any substantive rights of any Owner and does not adversely affect the title to any Unit without the written consent of its Owners.

(b) By Owners. This Declaration may also be amended by the affirmative vote or written consent, or any combination thereof, of Owners representing 67% of the Units, and, so long as Declarant owns any property described in Exhibit A or B for development or sale as part of the property, with written consent of Declarant. In addition, the approval requirements set forth in Article 11 hereof shall be met if applicable.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Amendments must be recorded in the public records of King County, Washington. 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 so consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment. No amendment may remove, revoke, or modify any right or privilege of Declarant without written consent of Declarant.

14.3 Severability. Invalidation of any provision or application of a provision of this Declaration by any court shall not affect any other provisions or applications.

14.4 Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until 21 years after the death of the last survivor of the now living descendants of Queen Elizabeth II of England.

14.5 Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by Owners representing at least 67% of the Units. This Section shall not apply, however, to actions brought by the Association to (a) enforce this Declaration (including, without limitation, the foreclosure of liens); (b) impose and collect assessments under Article 7; (c) challenge tax assessments and other matters relating to taxes for which the Association may be liable; and (d) counterclaims by the Association in proceedings instituted against it.

14.6 Cumulative Effect: Conflict. The provisions of this Declaration shall be cumulative with the covenants, conditions and restrictions of any Neighborhood, and the Association may, but shall not be required to, enforce the covenants, conditions, and restriction of any Neighborhood; provided, however, in the event of conflict, the covenant, condition, and restrictions, articles, bylaws and rules, policies, or practices of any Neighborhood shall be subject and subordinate to those of the Association. The foregoing priorities shall apply, but not be limited to, the liens for assessments.

14.7 Use of the Words "Rainier Vista" or Logo. No Person shall use the words "Rainier Vista" or any derivative thereof or the registered logo of Rainier Vista in any printed or promotional material without prior written consent of Declarant. However, Owners may use the words Rainier Vista in printed or promotional materials where such words are used solely to specify that particular property is located within Rainier Vista, and the Association shall be entitled to use the words "Rainier Vista" in its name.

14.8 Compliance. Every Owner and occupant of any Unit shall comply with this Declaration, the Bylaws and the rules of the Association and be subject to all remedies provided to the Association in this Declaration or the Bylaws. In addition, failure to comply shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, by the Association or any aggrieved Owner.

14.9 Notice of Sale or Transfer of Title. Any Owner selling or otherwise transferring title to his or her Unit shall give the Board at least seven days prior written notice of the name and address of the transferee, the date of such transfer of title, and such other information as the Board may reasonably require. Each transferee of a Unit shall, within seven days of taking title to a Unit, confirm that the information previously provided by the transferor is complete and accurate. The transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner of the Unit coming due prior to the date upon

which such notice is received by the Board including assessment obligation, notwithstanding the transfer of title to the Unit.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration this 14th day of October, 2003.

SEATTLE HOUSING AUTHORITY

By: [Signature]
Name: Harry Thomas
Title: Executive Director

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Harry Thomas is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Executive Director of SEATTLE HOUSING AUTHORITY, a municipal corporation, to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.

Dated this 14th day of October, 2003



[Signature]
Ellen L. Callahan
(print or type name)
NOTARY PUBLIC in and for the State of Washington,
residing at Freeland, WA
My Commission expires: 4-01-06

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Lot 2, Units A through E, Block 1;
Lot 3, Units A through D, Block 5;
Lot 1, Block 6;
Lot 4, Units A through D, Block 6;
Lot 1, Units A through 3, Block 7;
Lot 2, Units A through H, Block 9;
Lot 1, Units A through G, Block 10;
Lot 1, Units A through M, Block 13;
Lot 1, Units A through D, Block 15;
Lot 2, Units A through D, Block 16;
Lot 1, Units A through D, Block 17;
Lot 1, Units A through N, Block 18;
Lot 1, Units A through K, Block 19;
Lot 1, Units A through F, Block 20;
Lot 2, Units A through D; Block 20;
Lot 3, Units A through F, Block 23;
Lot 1, Units A through E, Block 24;
Lots 4 and 5, Block 26;
Lot 1, Block 27;
Lot 1, Block 29;
Lot 1, Units A through D, Block 36;
Lot 1, Units A through E, Block 37;
Lot 1, Units A through H, Block 41;
Lot 1, Units A through I, Block 45;
Lot 1, Units A through I, Block 46;
Lot 1, Units A through F, Block 47;
Lot 1, Units A through O, Block 48;
Lot 1, Units A through V, Block 53.

All in Rainier Vista, according to the plat thereof recorded in Volume ___ of Plats, pages ___ through ___, in King County, Washington.

EXHIBIT B

LEGAL DESCRIPTION OF POSSIBLE EXPANSION PROPERTY

All property in Rainier Vista, according to the plat thereof recorded in Volume ___ of Plats, pages ___ through ___, in King County, Washington, except

Lot 2, Units A through E, Block 1;
Lot 3, Units A through D, Block 5;
Lot 1, Block 6;
Lot 4, Units A through D, Block 6;
Lot 1, Units A through 3, Block 7;
Lot 2, Units A through H, Block 9;
Lot 1, Units A through G, Block 10;
Lot 1, Units A through M, Block 13;
Lot 1, Units A through D, Block 15;
Lot 2, Units A through D, Block 16;
Lot 1, Units A through D, Block 17;
Lot 1, Units A through N, Block 18;
Lot 1, Units A through K, Block 19;
Lot 1, Units A through F, Block 20;
Lot 2, Units A through D; Block 20;
Lot 3, Units A through F, Block 23;
Lot 1, Units A through E, Block 24;
Lots 4 and 5, Block 26;
Lot 1, Block 27;
Lot 1, Block 29;
Lot 1, Units A through D, Block 36;
Lot 1, Units A through E, Block 37;
Lot 1, Units A through H, Block 41;
Lot 1, Units A through I, Block 45;
Lot 1, Units A through I, Block 46;
Lot 1, Units A through F, Block 47;
Lot 1, Units A through O, Block 48;
Lot 1, Units A through V, Block 53.

TOGETHER WITH THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 24, RANGE 4 EAST, W.M. IN KING COUNTY, WASHINGTON; DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EAST LINE OF RAINIER VISTA HOUSING PROJECT WHICH IS THE EAST LINE OF SAID SECTION 16, AND THE NORTH MARGIN OF S. ALASKA STREET (ALASKA STREET);
THENCE NORTH 87°46'27" WEST ALONG THE NORTH LINE OF S. ALASKA STREET (ALASKA STREET) 164.81 FEET TO THE TRUE POINT OF BEGINNING;
THENCE CONTINUING NORTH 87°46'27" WEST ALONG THE NORTH LINE OF S. ALASKA STREET (ALASKA STREET) 120.00 FEET;
THENCE NORTH 2°13'33" EAST 120.00 FEET;
THENCE SOUTH 87°46'27" EAST 120.0 FEET;
THENCE SOUTH 2°13'33" WEST 120.00 FEET TO THE TRUE POINT OF BEGINNING;

TOGETHER WITH THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 24, RANGE 4 EAST, W.M.,

IN KING COUNTY, WASHINGTON AND MORE PARTICULARLY DESCRIBED
AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH MARGIN OF S. ALASKA
STREET (ALASKA STREET) AS ESTABLISHED BY CITY OF SEATTLE
ORDINANCE NUMBER 37204 WITH THE EAST LINE OF SAID SOUTHEAST
QUARTER OF THE SOUTHEAST QUARTER WHICH IS THE TRUE POINT OF
BEGINNING;

THENCE NORTH $87^{\circ}46'27''$ WEST ALONG THE NORTH MARGIN OF S. ALASKA
STREET (ALASKA STREET) 164.81 FEET;

THENCE NORTH $2^{\circ}13'33''$ EAST 180 FEET;

THENCE SOUTH $87^{\circ}46'27''$ EAST 156.85 FEET MORE OR LESS TO THE EAST
LINE OF SAID SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER;

THENCE SOUTH $0^{\circ}15'59''$ EAST ALONG SAID EAST LINE 180.18 FEET MORE
OR LESS TO THE POINT OF BEGINNING;

AND EXCEPT PORTION DEEDED FOR S. ALASKA STREET (ALASKA STREET)
AND ACCEPTED UNDER CITY OF SEATTLE ORDINANCE 71903.

EXHIBIT C
INITIAL DENSITY CHART

UNIT/BLOCK SUMMARY		
WEST		
BLOCK NUMBER	*NUMBER OF FOR SALE UNITS PER BLOCK	NUMBER OF RENTAL UNITS PER BLOCK
1	0	5
2	23	0
3	12	0
4	14	0
5	11	4
6	12	0
6n	0	5
6s	0	4
7	14	5
8	5	0
9	9	8
10	8	7
11	10	0
12	14	0
13	0	13
14	10	0
15	4	4
16	8	4
17	0	4
18	0	14
19	0	11
20	0	10
21	0	0
22	0	0
23e	0	50
23w	0	6
24e	0	78
24w	0	5
26	12	75
SUBTOTAL	166	312

EAST		
BLOCK NUMBER	*NUMBER OF FOR SALE UNITS PER BLOCK	NUMBER OF RENTAL UNITS PER BLOCK
27	36	33
28	0	0
29	0	30
30	6	0
31	7	0
31a	60	0
32	9	0
33	16	0
34	10	0
35	6	0
36	0	10
37	0	15
38	4	0
39	12	0
40	7	0
41	0	14
42	16	0
44	8	6
45	0	9
46	0	8
47	0	5
48	0	14
49	4	4
50	0	0
51	16	0
52	4	5
53e	0	8
53w	0	16
SUBTOTAL	221	177
TOTAL	387	489