

**SECOND AMENDED
DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS
RESTRICTIONS AND EASEMENTS FORPARKVIEW VILLAGE SUBDIVISION**

THIS DECLARATION is made this _____ day of _____, 2003, by MDC-1, LLC and American Development Co. No. 100, LLC and Declarant(s).

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the County of Clark, State of Washington, being Parkview Village subdivision as recorded under auditors file _____, Volume _____, Page _____, Clark County Deed records.

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

**ARTICLE I
DEFINITIONS**

Section 1. "Association" shall mean and refer to the corporate entity to be formed to serve as the Owners Association (Parkview Village Homeowner's Association, or PVHOA), its successors and assigns.

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

Section 3. "Properties" shall mean and refer to that certain real property herein before described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for

the common use and enjoyment of the owners. There is no Common Area owned by the Association. There are Common Maintenance Areas.

Section 5. "Common Maintenance Areas" means those areas designated as such in this Declaration, including the entry signage, a cinder block wall along portions of the west boundary of the plat, landscape areas as shown on the municipally-approved landscape plan in the approved townhouse site plan, and the municipally-approved storm water drainage system. The entry signage is owned by the Association. Each easement for common area described in section 4, 5, 6, 7 and 8 or Article II is dedicated to by the Association as provided in such Article. The Common Maintenance Areas shall be whatever rights the Association has in the Common Maintenance Areas, which shall be for the common use and enjoyment of the owners to the extent of the rights conferred by the interest held by the Association.

Section 6. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of Common Area and Common Maintenance Areas.

Section 7. "Declarant" shall mean and refer to MDC-1, LLC and American Development Co. No. 100, LLC. It shall also refer to MDC-1, LLC and American Development Co. No. 100, LLC, successors and assigns who acquire 50% or more of all of the lots in Parkview Village from the Declarant by a single conveyance for the purpose of development of dwelling units thereon. It shall also include the successors and assigns of such successors and assigns who acquire two or more lots for the purpose of development of dwelling units thereon.

ARTICLE II PROPERTY RIGHTS

Section 1. In General. Except as hereinafter provided, every owner shall have the right of peaceful and exclusive possession of its lot and all appurtenances. The Association, however, shall have the right to establish and promulgate all reasonable rules, regulations and programs relating to the use of the roads, driveways and parking areas, and the care and landscaping of the yard areas.

Section 2. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to any Common Area and the Common Maintenance Areas, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The owner shall have no greater rights in Common Maintenance Areas than those enjoyed by the Association, which such rights shall be exercised exclusively through the

Association so long as there is an Association, except as hereinafter provided in section 2(b).

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

Section 3. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment of the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on the property.

Section 4. Designation of Common Maintenance Areas. The Common Maintenance Areas shall be the landscaped areas, parking areas, and roadways shown in the approved final site plan of the municipal Townhouse approval, attached hereto as Addendum A and incorporated herein by this reference; any entry monument sign(s); the municipally-approved storm water drainage system, and incorporated herein by this reference. All Common Maintenance Areas shall be properly maintained by the Association as provided herein, except as provided in section 2(b).

Section 5. Association Easement in Common Maintenance Areas. Subject to the provisions of this Declaration, Declarant reserves unto itself and dedicates to the Association an easement in and to the Common Maintenance Areas, including lots 31 and 41 for use as common parking, which easement shall be appurtenant to and pass with the title to every Lot, for the purpose of maintenance the Common Maintenance Areas. The Declarant reserves unto itself and dedicates to the Association an easement for two feet on either side of each property boundary of each lot, except where a property boundary has a party wall, for the purpose of access to the Common Maintenance Areas; provided that a fence, wall, hedge, shrubs, flowers or landscaping installed in the easement shall not be considered an obstruction of a such a property boundary easement; and provided further, that the Association shall take access along the property boundary easement which involves the least disruption to any owner through whose lot access may be taken to a Common Maintenance Area; and except that the Association shall be obligated to reasonably restore any area within such easement damaged or destroyed as a result of such access, repair or maintenance.

Section 6. Maintenance of Drainage, Landscaping, Parking areas, private roadways, & Exterior of Structure. (a) The Association, its heirs, successors and assigns, shall be responsible for the maintenance of a drainage easement. All such facilities are hereby dedicated to the Association. The

Association's obligation of maintenance shall extend to all costs connected with maintaining the adjoining edges of the drainage property vegetated to standards required by the City of Vancouver; repairing and replacing all piping and culverts contained within the easement; maintenance of all storm drains within the easement; removing all obstructions or other objects impeding the flow of surface water within the storm facility; maintaining the storm facility in a reasonable condition to fulfill its function; and such other and further acts of repair or maintenance which are required in order to comply with the rules, regulations standards established, and to be established, by the City of Vancouver.

(b) The Association shall be deeded as appropriate or hereby granted easement for the maintenance of all landscape and parking areas. The Declarant shall install any required landscaping, graveled parking lots, and the Association shall thereafter maintain.

(c) Except as herein limited, it shall be the obligation and responsibility of the association for the exterior maintenance of each lot. Exterior maintenance shall be limited to the following; those exterior items which suffer normal aging depreciation, including: painted surfaces, replacement and reasonable care of roof, replacement and reasonable care of siding or exterior finish, gutters, downspouts, trees, shrubs, grass, and those certain other items that may be subsequently constructed or identified and approved by the association. All other exterior maintenance shall be the obligation and responsibility of each individual lot owner and shall include, but not be limited to: glass repair, venting, exterior lighting, concrete drives, concrete walks and concrete foundations, exterior doors and garage doors, all decks and steps, any private HOA permitted improvements, repair caused by acts of vandalism or acts other than normal "wear and tear". If need be, ultimate determination of obligation shall be by PVHOA board of directors decision. In the event the Owner does not comply to the Association's directive to properly maintain his lot the Association shall have the right to correct whatever maintenance problem there may be on the lot and to charge the owner accordingly.

(d) The common area parking areas described as lots 31 and 41 shall be improved by PVHOA and maintained by the association. Any real property taxes on parking areas or common areas shall be the obligation of association.

(e) At the discretion of the PVHOA board of directors an entrance security gate shall be offered for bid and design and constructed when funds are available from the collection of a the special \$500 assessment due and payable from any original purchaser, per unit, and payable at \$100 per month for 5 month beginning with the first month of ownership and shall be in addition to any scheduled monthly dues. This expense shall be deemed an approved special assessment and obligation of the PVHOA owners and not the obligation of declarant.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

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

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

Class A. Class A members shall be all Owners, with the exception of the Declarant or their assignees in bulk (the conveyance of 4 or more lots to a single party by Declarant). Each member shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant or their assignees in bulk (the conveyance of 4 or more lots to a single party by Declarant). Each member shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier: a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or (b) on December 31, 2005.

The Declarant shall convene a meeting of Class A owners upon the occurrence of "A" or "B" for the purpose of electing a board of directors of not less than five members who shall then elect not less than three officers; Chairman, vice-chairman, secretary/treasurer, and to promulgate board rules for management of the homeowners association.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

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

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Properties, for the improvement and maintenance of the Common Area and Common Maintenance Areas and for the improvement and maintenance of all landscaping of homes situated upon the properties.

Section 3. Maximum Monthly Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to a Class "A" member/owner, the maximum monthly assessment shall be fifty (\$50.00) dollars per Lot, plus herein described special assessment.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment may be increased each year not more than twenty percent (20%) above the maximum assessment for the previous year by the board of directors decision and without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment may be increased above twenty percent (20%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the monthly assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon any Common Area or the Common Maintenance Areas, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty per cent (60%) of all the votes of each class of membership shall constitute a quorum. If the required

quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both monthly and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis. Except that all lots held by Declarant shall be subject to ½ the current monthly assessment rate herein described until such property is sold or otherwise occupied. Said assessment shall be due on the 1st of the following month of such occurrence.

Section 7. Date of Commencement of Monthly Assessments: Due Dates. The monthly assessments provided for herein shall commence as to all Lots on the later of the foregoing: (1) thirty (30) days after the completion and issuance of an occupancy permit for each lot; (2) on the first day of the month following the conveyance of the Common Maintenance Areas or any Common Area. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 8. Annual Assessments and Maintenance Fund.

(a) It shall be the policy of the Association to establish and maintain an account with a banking institution for the deposit of sufficient funds for the maintenance obligations of the Association.

(b) For the purpose of establishing the fund initially, each lot shall be assessed at the rate of \$600.00 dollars per year (\$50.00/month). The amount of \$50.00 shall be payable on the 1st of each month in advance, plus an initial special assessment as herein describe.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve per cent (12%) per annum and incur a late fee of twenty dollars (\$20). The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or

otherwise escape liability for the assessments provided for herein by non-use of the Common Maintenance Areas or any Common Area or abandonment of his Lot. The association reserves the right to withhold maintenance or repairs on any lot with delinquent assessments.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. The sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall not extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. In addition no sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Insurance. No person other than the owner of a lot, or the mortgagee where permitted by the mortgage, and the association as may be required to protect neighboring property, shall have the right to place hazard or liability insurance for that lot.

Section 12. Exterior Maintenance. In the event an owner of any lot in the properties shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said parcel and to repair, maintain and restore the lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such lot is subject.

ARTICLE V ARCHITECTURAL CONTROL

Section 1. No structures shall be erected or permitted to remain on any Lot except those structures designed and constructed by Declarant, or its agents, successors, and assigns in Parkview Village subdivision. Thereafter, no building, fence, wall or other structure shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural review committee (ARC) composed of three (3) or more representatives appointed by the Board, and any required municipal review and approval. In the event said Board, or its designated committee, fails to approve

or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this section will be deemed to have been fully complied with if the design and location comply with this Declaration in all other respects.

Section 2. Except for the initial painting of structures painted by the Declarant, no change in any color of the exterior of a building, fence, wall or other structure shall be commenced or maintained upon the Property, until the plans and specifications showing the nature, kind, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures by the Board of Directors of the Association, or by the architectural review committee (ARC). In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this section will be deemed to have been fully complied with if the design and location comply with this Declaration in all other respects. The exterior of each building, and the exterior of all other painted structures attached, shall be painted in accordance with a color scheme common to the entire building; the exterior of each attached structure of any type shall be painted the same color(s), except for fence constituting a perimeter fence along the exterior boundaries of the Properties or plat, which shall be painted the same color along each boundary.

The exterior siding shall be cement/fiber board siding in 4-12 inch lap installation. Roofing shall be asphalt dimensional composition singles with a 25 year warranty. Colors shall be to ARC approval.

ARTICLE VI AUTHORITY AND DUTY OF THE ASSOCIATION

The Association, acting through its Board of Directors, shall have the authority and the duty to:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth of the members;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided herein, to

(1) fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period; and

(2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) Procure and maintain adequate liability and hazard insurance on property owned by the Association;

(e) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(f) Cause the yards, roads and common areas to be maintained in a good first class condition.

ARTICLE VII USE RESTRICTIONS

Section 1. No subdivision or Partition. No platted Lot within the Property may be further subdivided or partitioned so as to create more than one parcel.

Section 2. Residential use. Lots shall only be used for residential purposes. Except with the consent of the Association, no trade, craft, business, profession, commercial or similar activity of any kind shall be conducted on any Lot, nor shall any goods, equipment, vehicles, materials or supplies used in connection with any trade, service, or business be kept or stored on any Lot. Nothing in this paragraph shall be deemed to prohibit (a) activities relating to the rental or sale of Property, (b) the right of Declarant or any contractor or homebuilder to construct improvements on any Lot, to store construction materials and equipment on such Lots in the normal course of construction, and to use any Lot as a sales or rental office or model or apartment for the purposes of sale or rental, and (c) the right of the Owner of property to use the residence as a home office, including without limitation, to maintain his professional personal business or professional telephone calls or confer with business or professional associates, clients or customers; provided, however, that the residence is not generally open to the public and is limited to occasional by-appointment-only customer, client or trade visitor visitation. The Association shall not approve commercial activities otherwise prohibited by this paragraph unless the Association determines that only normal residential activities would be observable outside of the residence and that the activities would not be in violation of applicable City of Vancouver ordinances.

Section 3. Offensive or Unlawful Activities. No noxious or offensive activities shall be carried on upon any Lot or

Property, nor shall anything be done or placed on any Lot or Property which interferes with or jeopardizes the enjoyment of other Lots or Properties, or which is a source of annoyance to residents. No unlawful use shall be made of a Lot or Property nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

Section 4. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept or permitted within any Lot or Property other than two indoor household pets, and limited to birds, cats, and dogs, which are not kept, bred or raised for commercial purposes and which are reasonably controlled so as not to be a nuisance. Any other domestic animals shall be permitted only if approved by the Board of Directors of the Association and if permitted by applicable City of Vancouver ordinances. Any inconvenience, damage or unpleasantness caused by an animal shall be the responsibility of the respective Owner thereof. No dog shall be permitted to roam the Property unattended, and all dogs shall be kept on a leash while outside a Lot. An Owner or resident may be required to remove an animal upon receipt of the third notice in writing from the Association Board of Directors of violations of any rule, regulation or restriction governing animals within the Property. Animal enclosures, including dog runs and houses, may only be located in the rear yard of Lots and subject to approval by the Architectural Review Committee (ARC) of the Association.

Section 5. Parking.

(a) Residents shall be required to park their vehicles in enclosed garages or on their garage aprons. No resident shall park any vehicle in such a way as to intentionally or unintentionally, block the neighboring resident(s) access to their driveway. No lot or class "A" member shall be allowed to park more than two cars per lot within Parkview Village subdivision including common parking area and common roadways.

(b) Vehicles which are not in regular use (7 days or more) shall not be parked in streets, driveways, or common area parking lots. After date Association may have vehicle towed at owners expense.

(c) Parking of boats, trailers, motorcycles, trucks, mobile homes, campers or other recreational vehicle or equipment, regardless of weight, and parking of any other vehicles in excess of one ton load capacity shall not be allowed on any part of the Property nor on streets or driveways adjacent thereto for more than six (6) hours or such other period as may be permitted by the Association Rules and Regulations, excepting only within the confines of an enclosed garage.

(d) Common area parking areas and street parking are subject to rules as established by the majority vote of the board of directors of association.

Section 6. Vehicle Maintenance and Vehicles in Disrepair.

(a) Vehicle maintenance or repair shall not be conducted on streets or driveways within Parkview Village. All vehicle maintenance and repair shall be completed on the Owner's Lot, either in the garage or within the garage apron area.

(b) No owner shall permit any vehicle which is in an extreme state of disrepair to be abandoned or to remain parked upon any Lot or on any street or driveway for a period in excess of forty-eight (48) hours. A vehicle shall be deemed in an extreme state of disrepair when the Board of Directors reasonably determines that its presence offends the occupants of the neighborhood. Should any Owner fail to remove such vehicle within five (5) days following the date on which notice is mailed to him by the Association, the Association may have the vehicle removed from the Property and charge the expense of such removal and subsequent storage or disposal to the Owner.

Section 7. Signs. No signs shall be erected or maintained on any Lot except any project sign installed by Declarant, except that not more than one For Sale or For Rent sign placed by the Owner, Declarant or by a licensed real estate agent, not exceeding five (5) square feet in size, may be temporarily displayed on any Lot. The restrictions contained in this paragraph shall not prohibit signs in windows or warning notices if approved by the Association or the temporary placement of political signs on any Lot by the Owner. No signs may be mounted on or nailed to trees, and all signs must conform with applicable City of Vancouver codes and ordinances.

Section 8. Rubbish and Trash. No Lot, Property, Common Maintenance Area, or driveway shall be used as a dumping ground for trash or rubbish of any kind. All garbage and other waste shall be kept in appropriate sanitary containers for proper disposal, and except for day of collection shall be kept within garages or a screened enclosure which is out of public view. Yard rakings, dirt and other material resulting from landscaping work shall not be dumped onto streets, sidewalks, driveways, Common Maintenance Areas, or on any lots. Should any Owner fail to remove any trash, rubbish, garbage, yard rakings or any such materials from any Lot, street, sidewalk or driveway where deposited by him within ten (10) days following the date on which notice is mailed to him by the Board of Directors of the Association, the Association may have such materials removed and charge the expense of such removal to the Owner.

Section 9. Landscape. All Common Maintenance Areas (as previously defined) for which landscaping is shown on the approved landscape plan, approved by Clark County and/or the City of Vancouver, shall be properly maintained by a professional landscape maintenance contractor, hired by the Association, except where the easement for landscaping burden a Lot, in which

case, the landscaping shall be maintained by the Owner; provided, however, that the Association may elect to maintain all such landscaping through assessment collected for that purpose by lot owners. No owner or resident shall alter, damage, replace, or change any landscaping within the Common Maintenance Areas, without consent from the Association.

Section 10. Temporary Structures. No structure of a temporary character, trailer, motor home or tent shall be used on any Lot at any time as a residence either permanently or temporarily.

Section 11. Fences and Hedges. No fences or boundary hedges shall be installed without prior approval of the Association.

Section 12. Mechanical Equipment. No mechanical equipment, including, without limitation, window mounted air conditioners, shall be allowed in the front elevation of any Property.

Section 13. Outdoor Facilities.

(a) All utility connections from trunk lines to dwellings shall be underground. Exposed plumbing or electrical lines are not permitted within the Property.

(b) Outdoor appliances such as play equipment, barbecues, basketball courts, hoops and the like shall not be located in front yards.

(c) Any mailbox other than as originally supplied by Declarant or the Post Office shall require the prior approval of the ARC of the Association.

(d) Service facilities (garbage, clotheslines, etc.) shall be screened such that the elements screened are not visible at any time from the street or a neighboring property.

Section 14. Antennas and Satellite Disks. Exterior radio, television, telecommunication towers, antennae, satellite dishes larger than 24" in diameter or other exterior transmission or receiving devices shall not be allowed.

Section 15. Exterior Lighting or Noise-Making Devices. Except with the consent of the Association, no exterior lighting or noise-making devices shall be installed or maintained on any Lot, other than security and fire alarms.

Section 16. Pest Control. No Owner shall permit any thing or condition to exist upon any portion of the Property which shall induce, breed or harbor infectious plant disease or noxious insects or vermin.

Section 17. Association Rules and Regulations are contained in the Parkview Village Homeowner's Association By-laws. In addition, the Association from time-to-time may adopt, modify or revoke such rules and regulations governing the conduct of persons and the operation and use of Lots and Property as it may

deem necessary or appropriate by a 2/3 vote of the owners in order to assure the peaceful and orderly use and enjoyment of the Property.

Section 18. All leased or rented homes in Parkview Village shall be managed by an approved management company by the PVHOA board of director. All non-owner occupied units are subject to PVHOA's policy and procedures for leasing or renting a unit long term or short term.

ARTICLE VIII PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator. If the parties cannot agree as to the additional arbitrator, such arbitrator shall be appointed by the Superior Court of Clark

County. Each party shall pay for the cost of such party's arbitrator and one-half of the cost of the additional arbitrator if there are two parties, and a prorata share of the cost of the additional arbitrator if there are more than two parties. If the parties cannot agree as to the procedure for the arbitration, the arbitration shall be governed by the court rules applicable in Superior Court in the State of Washington, except that evidence may be admitted in accordance with the rules for court mandated arbitration for Superior Court (MAR). The decision of a majority of arbitrators shall be final and binding.

ARTICLE IX
JOINT STREET, PARKING, AND UTILITY EASEMENTS

Section 1. Easements Created (amended). (a) Each lot (dominant estate) which is served or is to be served by a utility easement, including but not limited to, sewer or water service, electrical power, natural gas, phone, cable television, or other utility service which crosses or will cross the lot (servient estate) of another Owner, shall have a perpetual blanket easement and right of way together with the right of ingress and egress for the purpose of installing, constructing, erecting, altering, repairing, maintaining and operating utility services, including laterals connected to the public utility systems of the City of Vancouver, in, on, over, under and across the first eighteen feet of the front yard of the other Owner's lot (servient estate); and provided, that upon completion of installation of any utility service, including the sewer and water service lines and laterals required to serve such lot above-referenced (dominant estate), THE EASEMENTS HEREIN GRANTED SHALL BECOME LIMITED TO THE ACTUAL LOCATIONS OF UTILITY SERVICES, INCLUDING THE WATER AND SEWER SERVICE LINE AND LATERALS, AS INSTALLED, WITH REASONABLE RIGHTS OF INGRESS AND EGRESS FOR THE PURPOSES ABOVE STATED.

(b) A utility service or service line or lateral will cross a lot (servient estate) if another lot (dominant estate) will take utility service, including sewer or water service from a lateral, in the lot (servient estate) or in the right-of-way directly in front of the lot, unless as constructed the lateral or service line does not cross the lot (servient estate).

Section 2. Restoration. All utility service, including water and sewer service lines and laterals, shall be installed underground except for clean-outs and meter boxes, or such other above-ground facilities as may be required by the City of Vancouver. Upon the completion of the installation, construction, erection, alteration, repair, and maintenance (involving disruption or disturbance of the surface of the servient estate) for utility service, including the sewer and water service lines and laterals, in the servient estate, the surface of the servient estate, including land improvements, such as driveways, shall be restored by and at the expense of the owner of the dominant estate.

Section 3. Hold Harmless. Where there is a single utility service, or water and/or sewer lateral servicing two lots, the Owners of the adjoining lots shall be jointly responsible for the replacement as provided in section 7, 8, 9, 10, 11, and 12 of this Article IX, repair and maintenance of any utility service or sewer or water lateral. With respect to the sewer lateral, this responsibility shall extend from the Y joint where the lateral splits to provide separate sewer service or waste lines to the lots, including any clean-out in the Y, to and including where the sewer lateral connects to the public sewer owned and maintained in the public street by the City of Vancouver, or its governmental successor. With respect to other utility services or the water lateral, this responsibility shall extend to any portion of the lateral, or facilities associated therewith, which are in the private or public road and/or utility right-of-way, except that this responsibility shall be no greater than that imposed by law upon a lot and its owner under circumstances in which a lateral or laterals service only one lot. Each Owner whose lot shares utility service, including a sewer or water lateral, with the lot of another Owner, by their acceptance of title or a contract vendee's interest entitling the vendee to possession of such a lot, and the Association, do hereby agree to hold the City of Vancouver and its governmental successor harmless and defend and indemnify them against any claim or loss associated with any maintenance or other problems, such as backflow, that may arise with respect to the shared lateral or utility service. Each Owner whose lot shares a sewer or water lateral with the lot of another Owner, by their acceptance of title or a contract vendee's interest entitling the vendee to possession of such a lot, do hereby agree to hold the Association harmless and defend and indemnify it against any claim or loss associated with any maintenance or other problems, such as backflow, that may arise with respect to the shared lateral.

Section 4. Association Easement. The association is hereby granted and assumes all common streets, parking, and utility easements as described per the Parkview Village Subdivision plat, records of Clark County. The association is hereby subject to any easements of record granted to the City of Vancouver on behalf of Parkview Village Subdivision as recorded in book of plats Clark County records.

The Association shall have the same easement and rights in a servient estate as those enjoyed by the dominant estate or its Owner. Upon the failure of the Owner of the dominant estate or the servient estate to perform their obligations under this Article IX, the Association shall have the right but not the obligation to perform the rights and obligations of the defaulting Owner, whether of the servient or dominant estate. The Association shall have the right to collect the costs and expense therefor from the defaulting Owner, and collect such costs and expenses from the defaulting Owner in the same manner as assessments are collected.

Section 5. Amendments. Notwithstanding any portion of section 3 of Article XI of these CC&R's, no amendment, modification or alteration of any portion of this Article IX of these CC&R's shall be effective unless signed by the City Engineer and the City Attorney of the City of Vancouver, or its governmental successor.

Section 6. Structures Over Easement. No structure of any kind shall be built or placed, or allowed to be built or placed, over the actual locations of the water and sewer service line and laterals as installed, or which interfere with the reasonable rights of ingress and egress for the purposes set forth in section one of this Article IX. Driveways, walkways, fences, and landscaping shall not be considered structures for the purposes of this section 6.

Section 7. General Rules of Law to Apply. Each service line or lateral which is constructed and installed as a part of the original construction of the homes upon the Properties and placed in a servient estate or the public right-of-way shall constitute a party wall of the servient and dominant estates, and, to the extent not inconsistent with the provisions of this Article IX, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 8. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a service line or lateral as a party wall shall be shared by the Owners who make use of the service line or lateral in proportion to such use.

Section 9. Destruction by Fire or Other Casualty. If a service line or lateral is destroyed or damaged by fire or other casualty, any Owner who has used the service line or lateral may restore it, and if the other Owners thereafter make use of the service line or lateral, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 10. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the service line or lateral to be exposed to the risk of damage shall bear the whole cost of furnishing the necessary protection against such damage.

Section 11. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article, and the rights and obligations enjoyed by or owed to an Owner, the Association, or the City of Vancouver or its

governmental successor, shall be appurtenant to the land and shall pass to such Owner's successors in title and to the Association and the City of Vancouver, or its governmental successor.

Section 12. Arbitration. In the event of any dispute arising between the Owners of a servient or dominant estate concerning a service line or lateral, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator. If the parties cannot agree as to the additional arbitrator, such arbitrator shall be appointed by the Superior Court of Clark County. Each party shall pay for the cost of such party's arbitrator and one-half of the cost of the additional arbitrator if there are two parties, and a prorata share of the cost of the additional arbitrator if there are more than two parties. If the parties cannot agree as to the procedure for the arbitration, the arbitration shall be governed by the court rules applicable in Superior Court in the State of Washington, except that evidence may be admitted in accordance with the rules for court mandated arbitration for Superior Court (MAR). The decision of a majority of arbitrators shall be final and binding.

ARTICLE X STAGED DEVELOPMENT

Additional land area may be annexed by the Declarant, or assigns, without the consent of members within seven (7) years of the date of this instrument provided that the FHA and the VA determine that the annexation is in accord with the general plan heretofore approved by them.

ARTICLE XI GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for

successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than seventy five per cent (75%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five per cent (75%) of the Lot Owners. Any amendment must be recorded.

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

Section 5. FHA/VA Approval. (a) This section shall only apply if there is FHA or VA financing for a Lot. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration:

Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

(b) If there is no VA or FHA financing on a lot, notwithstanding anything hereinbefore in this Declaration to the contrary, Declarant, or its heir, successor and assign lots in Parkview Village in bulk (4 or more lots), shall be entitled to annex additional properties, dedicate Common Area and Common Maintenance Area, and amend this Declaration of Covenants, Conditions and Restrictions, so long as there is class B membership.

Section 6. County/city Approval: Although the foregoing Declaration permits the homeowner's association created thereby to transfer the common area to a public entity and authorizes the association's obligation to maintain common area be amended or modified upon certain majorities of the homeowner's association, no such action shall become effective which would be in conflict with the subdivision approval, or the townhouse approval (except as permitted by the townhouse approval), except by subsequent changes or amendments granted in such approvals by the City of Vancouver or its governmental successor, as provided by law.

Section 7. Supersedes Previous CC&R's. This document herein supersedes and replaces that Declaration of Protective Covenants, Conditions, Restrictions and Easements For Parkview Village Subdivision recorded or as otherwise unrecorded with the final plat of subdivision in the Clark County Auditor's recording department.

Section 8. Hold Directors Harmless. To the full extent of the law the owners/members of association shall hold the officers and directors harmless and shall legally defend for any actions of third party litigation or pre-litigation actions and

responses. This shall not preclude action by the members against officers and directors for acts of fraud or mismanagement of the duties of the office whereby defense shall be the sole financial obligation of the officers or directors accused or found guilty of same.

Section 9. Disputes, repairs, and class action litigation against the Declarant, Developer, or General Contractor shall be subject to binding arbitration according to the terms and procedures of the American Arbitration Association, or other mutually agreed arbitration methods between parties.