

When Recorded Return to:

Alan E. Millet, P.S.
Post Office Box 1029
Sequim, WA 98382

**DECLARATION OF PROTECTIVE COVENANTS
CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR
OLYMPIC CREST**

THIS DECLARATION, made this _____ day of _____, 2006, by Colby Corporation, a Washington corporation (Declarant).

WITNESSETH:

WHEREAS, Declarant is the holder of fee simple title to the real property in Clallam County, Washington, described in Article II below, and

WHEREAS, The purpose of this Declaration is to enhance the value of the Property by submitting the Property to certain easements, rights, restrictions, and obligations for the benefit of Declarant and all future owners or occupants of the property; and,

WHEREAS, Declarant intends that all persons and entities acquiring an interest in the Property shall enjoy the benefits of and be subject to the rights, easements, privileges and restrictions established by this Declaration

NOW, THEREFORE, Declarant states that the Property is held subject to the following covenants, conditions, restrictions, uses, limitations and obligations, which shall run with the land and shall be a burden and benefit to Declarant, its successors and assigns, and any and all persons acquiring or owning an interest in any portion of the property, their grantees, successors, heirs, executors, administrators and assigns.

ARTICLE I

DEFINITIONS

For the purposes of this Declaration and any amendments hereto, the following definitions shall apply.

Association shall mean the Lot Owners Association of Owners of the property subject to this declaration.

Board shall mean the Board of Directors of the Association.

Committee shall mean the Architectural Control Committee.

Common Area shall mean the community irrigation system.

Declarant shall mean the Declarant Colby Corporation, and its representatives, successors, and assigns.

Declaration shall mean this Declaration of Covenants, Conditions, Restrictions, and Easements, as it may from time to time be amended.

Lot shall mean the lots as indicated on the recorded plat of Olympic Crest which is being recorded herewith.

Member shall mean each Owner entitled to membership in the Association pursuant to the provisions of Article III.

Mortgagee shall mean the holder, insurer or guarantor of an encumbrance on a Lot created by a mortgage and shall also mean the vendor of a real estate contract for the sale of a Lot.

Owner for purposes of membership in the Association shall be any person or entity who is record owner of a fee or undivided fee interest or purchaser under contract of any presently existing or subsequently divided lot or parcel referred to above. Said membership is not intended to include persons holding an interest merely as security for the performance of an obligation. There shall be one unit of membership (and one vote) for each lot or parcel owned.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

The property that is subject to this Declaration is:

Lots 1 through 54, inclusive, of Olympic Crest, as per plat thereof recorded in Volume _____, Page _____, records of Clallam County, Washington, being a subdivision of Lots 4-A, 4-B and 4-C of Revised Rhodefer Survey, recorded December 19, 1982 in Volume 8 of Surveys, page 97, under Clallam County Recording No. 538075, being a portion of the Southwest Quarter of Section 21, Township 30 North, Rang3 3 West, Clallam County, Washington.

ARTICLE III

THE ASSOCIATION

There is hereby created an association of lot owners for the purpose of operating the Development. The association shall be formally known as the Olympic Crest Lot Owners Association. The association shall initially be an unincorporated association, but may be

incorporated if the Board so elects. The association shall fulfill its functions according to the following provisions:

3.1 Membership

Each Owner of a Lot is a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership.

3.2 Voting Rights

Each Owner of one or more Lots shall be entitled to one vote per Lot owned. When more than one person or entity shares ownership of a Lot, the vote shall be exercised as they determine among themselves. The Association shall act upon majority vote.

3.3 Proxy Voting

All Owners may vote in person or by proxy. Proxies shall be in writing, signed by the Owner, and filed with the Board of Directors. The last Owner of Record shall be entitled to vote until the Board of Directors has received actual notice of the conveyance by the new Owner.

3.4 Suspension of Voting Rights

The right of any Member to vote shall be suspended during any period in which such Member shall be delinquent in the payment of any assessment levied by the Association. Such rights may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days for any infraction of any rules or regulations published by the Association.

3.5 Powers

The Association shall be the governing body for all the Owners for the maintenance, repair, replacement, administration and operation of the property, as provided in this Declaration and the Association Bylaws. The Association shall hold and apply all funds received by it for the Owners in accordance with the provisions of this Declaration and the Bylaws and in accordance with RCW 64.38 (Homeowners Associations).

3.6 Board of Directors

The Board of Directors (Board) shall be the governing body of the Association. The Board shall consist of not less than three (3) members after the Transition Date. The initial Board of Directors shall consist solely of the Declarant. In the event of any dispute or any question of interpretation or application of the provisions of the Declaration and Bylaws, the determination thereof by the Board of Directors shall be final and binding on each of such Owners.

3.7 Transition Date

The "Transition Date" is the date after which Declarant may no longer exercise Declarant Control as defined in Section 3.8. The Transition date shall be the earlier of (1) sixty days after conveyance of seventy five percent (75%) of the lots in the development to Owners other than the Declarant; or (2) the date on which Declarant voluntarily surrenders Declarant Control before the Transition Date.

3.8 Declarant's Power Until Transition Date

Until the Transition Date, Declarant shall have the full power and authority to appoint and remove the Board and the officers of the Association ("Declarant Control").

3.9 Transfer of Administration.

Within sixty (60) days after the Transition Date, the Owners shall elect a Board of not fewer than three (3) directors. The Board shall call a meeting of the Association to be held within ninety (90) days after the Transition Date for the purpose of electing the new Board. The New Board shall take office upon election.

3.10 Annual and Special Meetings

There shall be an annual meeting of the members of the Association in the first quarter of each year at such reasonable place and time as may be designated by no less than three (3) or more than thirty (30) days written notice from the Board to each Owner. Special meetings of the Association may be called at any time by the president, or a majority of the Board, for the purpose of considering matters which require the approval of all of some of the Owners, or for any other reasonable purpose, at such reasonable place and time as may be designated by no less than ten (10) days written notice.

3.10 Bylaws

The Board of Directors of the Association shall, within ninety (90) days following the transition date, adopt the initial Bylaws for the governing of the affairs of the Association, the holding of meetings thereof, and the operation, administration, use and enjoyment of the Property, and shall specify therein the composition and duties of the Board of Directors. The Bylaws may be amended by the Board of Directors.

ARTICLE IV

DUTIES OF THE ASSOCIATION

- 4.1 **Community Irrigation System.** The Association shall maintain and repair the community irrigation system within the easements shown on the face of the plat, and may adopt reasonable rules and regulations governing use of the community irrigation system.
- 4.2 **Enforcement .** The Association shall enforce the provisions of this Declaration, the Articles or Bylaws of the Association and any rules that it may adopt.
- 4.3 **4.6 Insurance.** The Association may obtain and maintain insurance coverage as it deems advisable.
- 4.4 **Employment.** The Association may employ persons or entities as it deems advisable to further Association business.

4.5 **Legal Action.** The Association may initiate or defend all forms of lawsuits or other proceedings as may be necessary to advance or protect the interests of the Association. The Association may pay reasonable attorney's fees and costs for such activities.

4.6 **Purchase.** The Association may purchase personal property or services that are necessary or incidental to the administration of the community irrigation system or to any other function allocated to the Association.

ARTICLE V ASSESSMENTS

5.1 Authority

The Association shall establish annual assessments against lots for payment of the costs of performing the duties established in this declaration. Unless otherwise provided by the Association, all assessments shall be allocated on a pro rata basis per lot. The Association may impose and collect special assessments as it deems necessary.

5.2 Annual Assessment

The Association shall annually prepare and adopt a budget. The Association shall also prepare a statement of anticipated needs each year that includes a reserve fund for unexpected expenses. The amount of the annual assessment shall be based upon an analysis of the expenditures of the previous year and of the projected expenses during the budget year.

5.3 Special Assessment

If an Owner violates any covenant or fails to perform any condition contained in this Declaration, the Association may take remedial action upon thirty (30) days advance written notice to the Owner. The Association may levy a special assessment against the Lot for the cost of the remedial action. The Association may also levy other special assessments.

5.4 Assessment Bills

5.4.1 The combined assessment invoice shall cover a calendar year. The invoice shall be mailed in December. The balance shall be due on February 1st of the following year. Assessments more than ten (10) days late shall be delinquent. Delinquent balances will bear interest at the highest legal rate allowed by RCW 19.52.020.

5.4.2 Delinquent balances shall be a continuing lien on the Lot. They shall also be the personal obligation of the Owner of the Lot. The lien may be enforced and foreclosed in the same manner that mortgages are foreclosed in Washington. Each Owner, by acceptance of a deed for any Lot, shall be deemed to give full and complete power of sale to the Association and to consent to a foreclosure of the lien. Additionally, the Association may initiate legal action against the Owner personally.

5.5 Subordination of Lien to First Mortgages

All liens of assessment shall be subordinate to the lien of any first mortgage. The sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to the foreclosure of a first mortgage, or pursuant to any other proceeding or arrangement in lieu of such foreclosure, shall extinguish the assessment lien as to installments that become due prior to the effective date of the sale or transfer or acquisition by the mortgagee. No assessment liability shall accrue to an acquiring Mortgagee except with respect to installments of assessments becoming due after possession has passed to the acquiring mortgagee. If an assessment is extinguished, the entire amount of the unpaid assessment shall be reallocated and assessed against the Owners of all other Lots. No sale, transfer or acquisition shall relieve an Owner from personal liability for any assessments that accrued before the conveyance.

5.6 Exempt Property

All property within [the development](#) dedicated to and accepted by a local public authority and devoted to public use shall be exempt from assessments.

ARTICLE VI

ARCHITECTURAL CONTROL

6.1. Architectural Control Responsibilities

The Board of Directors shall serve as the Architectural Control Committee (Committee) for the Association. The Committee shall act upon majority vote. All construction related plans shall be submitted to the Committee for its review and written approval before any work may begin on any property in [Olympic Crest](#). The Committee shall ensure that the proposed work is in compliance with the adopted rules, regulations, requirements, restrictions and policies before granting approval for the work to begin.

6.2. Application Checklist

The following items should be submitted to the Committee to initiate a construction review process:

1. [A check for \\$250.00 payable to Declarant to offset the cost of plan review. After the transition date the Board may set a different fee for plan review.](#)
2. Cover letter describing the attached documents.
3. A legal description of the Lot.
4. A site plan, to scale, that includes:
 - a. The proposed location of the structures on the site, including decks.
 - b. The exact location of the interface of the driveway with the road and the location of off-road parking areas.

c. Location and details of any fencing.

d. Detailed plans and specifications showing size, roof material, finish and elevations that clearly show footings for the structure. The plans should include a calculation of the building height.

6.3 Standard of Review

The Committee may establish detailed standards and procedures governing its areas of responsibility and practice. In addition, the following shall apply: The plans and specifications shall be reviewed as to quality of workmanship, design and harmony of external design with existing structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with originally approved plans and specifications. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his or her residence or to paint the interior of his or her residence any color desired.

6.4 Procedure

The Committee shall approve or disapprove plans within twenty one (21) days after it receives the plans from Owner. If the Committee does not act within 21 days, the plans shall be deemed approved. An Owner may appeal any plan disapproval by providing the Committee with a written notice of appeal within ten (10) days of the Committee's rejection. The Association shall hold an appeal hearing within thirty (30) days of the receipt of the Owner's notice of appeal.

6.5 Approval Duration

Plan approval shall be effective for 12 months. If construction does not start within 12 months, the plans must be resubmitted to the Committee before construction may begin.

6.7 Building Permit

The Owner is responsible for obtaining a building permit from the City of Sequim.

6.8 Construction Period

Exterior work on any building shall be completed within nine months from the start of construction. Construction work on all buildings and structures shall be pursued diligently and continuously from commencement of construction until the building exteriors are completed.

6.9 Changes During the Construction Period

The Owner is to contact the Association if the plans or specifications are revised in any manner after initial approval. Revisions must be approved by the Committee.

6.10 Project Monitoring

During the construction process, the Committee may periodically conduct on-site inspections to assure continuing compliance with the plans.

6.11 Removal and Abatement

The Committee shall have the right to order an Owner to remove or alter any structure on any Lot erected in violation of the terms of this Declaration, and to employ appropriate judicial proceedings to compel the alteration or demolition of any nonconforming construction or other violation. Any cost incurred by the Committee shall be levied as a special lot maintenance assessment.

6.12 Variances

Reasonable variances to the covenants, conditions and restrictions may be granted by the Association after review, in order to overcome practical difficulties or to prevent unnecessary hardship. A variance may only be granted if it is not detrimental to other property and shall not defeat the purpose of this Declaration.

6.13 Project Completion

A final inspection by the Committee may be requested when the Owner believes all significant work is completed as planned. A member of the Committee will visit the site and request a copy of the completed building permit signed by the City inspectors.

ARTICLE VII

CONDITIONS AND RESTRICTIONS

7.1. Dwelling Unit

No Lot shall be used except for residential purposes. No Dwelling Unit shall be erected, altered, placed or permitted to remain on any Lot other than one single family dwelling, an attached garage and related outbuildings.

7.2. Mobile and Manufactured Homes

Mobile, modular, and manufactured homes are not permitted in Olympic Crest.

7.3. Vehicle Storage Structures

Carports are not allowed in Olympic Crest.

7.4. Parking

7.4.1. No vehicles may be parked on unimproved surfaces.

7.4.2. No more than two (2) personal vehicles (automobiles and pick up trucks) may be parked outside of a structure.

7.4.3. No recreational vehicles or commercial vehicles larger than a pickup truck may be parked outside of a structure for more than 48 hours, including on City streets within the development.

7.4.4. The Committee shall ensure that all off-street parking surfaces are aesthetically pleasing as to size and composition. Off-street parking spaces shall be constructed of a fixed durable impervious surface, e.g. pavement, concrete, brick, stone, etc. Each off-street parking space shall measure at least 10 feet by 20 feet.

7.4.5. Each lot must have four (4) spaces available for off-street parking. Garage parking spaces may be included in calculating the number of off-street spaces. Interior garage space must maintain a 20-foot by 20-foot clear space to be considered as two parking spaces.

7.4.6. Curbside parking on the streets shall be regulated by the City of Sequim, except as specified in paragraph 7.4.3 above.

7.5. Radio and TV Antenna

No radio or television antenna shall be allowed. No satellite dishes larger than 24 inches in diameter shall be allowed.

7.6. High Intensity Lights

No outdoor mercury-vapor, sodium or other similar high intensity “cobra style” lights are permitted. Lighting shall be pedestrian oriented and scaled.

7.7. Outbuildings and other structures

Outbuildings with a footprint over 125 square feet or over 9 feet high shall have an external style, color and appearance that match the house on the lot.

Outbuildings that are 125 square feet or less and not over 9 feet high shall have an external style, color and appearance compatible with that of the house. The roof shall match the roof of the house or be a lightweight cedar shingle. The building shall not have a metal, plastic, fiberglass or otherwise prefabricated or manufactured appearance. The exterior shall be painted or finished the same color as the house.

7.8. Fences, Walls and Hedges.

All perimeter fencing shall be uniform in design.

No fencing, boundary wall, or hedge shall be more than six (6) feet in height. The height or elevation of any wall, fence or hedge shall be measured from the existing elevations on the property at or along the applicable point or lines. Any question as to height shall be resolved by the Committee. Fences are to be compatible with Olympic Crest environment, suited to a specific use and the site terrain, designed and constructed to minimize offensiveness and obstruction of views. Compatible fence materials include wood board, painted or coated chain link (black or green only) and the like.

No fences are allowed between the front of a dwelling and the street.

7.9. Temporary Living Quarters

No person may occupy any temporary living quarters. Occupancy of a new house shall occur only after the final City inspection and issuance of a certificate of occupancy.

7.10. Fire Hydrants

There shall be a three (3) foot clearance around all fire hydrants.

7.11. Standards

All uses of the Lots shall, as a minimum, comply with the Sequim Municipal Code. The standards in this declaration are requirements in addition to the City codes, rules and regulations.

7.12. Building Design

7.12.1. Dwelling Unit.

7.12.1.1. The minimum size of interior floor space of all primary dwelling units shall be 1500 square feet. Each dwelling shall include at least a two (2) car garage. The maximum height for any structure shall be 28 feet from the highest natural grade within the footprint of the building to the peak of the building, and all roof lines must be designed with consideration of the view of adjoining lots. The Committee may restrict the height of any building to less than the maximum if there is a negative effect on the view or the aesthetic compatibility with other buildings and lots in the area.

7.12.1.2. Structures erected or placed on any Lot must be in harmony with the residence in respect to workmanship, materials and external design. Exteriors must have accents of brick, stone, or wood. Vinyl and metal siding is prohibited, as is T-111 siding or similar panel type siding.

7.12.1.3. All plans for any dwelling unit, garage, or other structure or fence, including exterior building materials, must be reviewed by the Committee and receive the Committee's approval before construction begins. The Committee may withhold its approval for any plan that does not complying with this Declaration

7.12.2. Roofs. Roofs on all buildings or outbuildings shall be constructed of clay or concrete tile, cedar shakes or architecturally textured composition materials with a 30 year or longer warranty. Materials must be approved in advance by the Architectural Control Committee. All roofs shall have a minimum pitch of 6/12.

7.12.3. Propane Tanks. Propane tanks shall be located in the side or back yard so not to be an eyesore to the other houses, and shall be maintained by and be the sole responsibility of the Owner.

7.13. **Construction Restrictions**

- 7.13.1. Lot Clearing. No lot clearing, grading or construction activities are to be started prior to receipt of written approval from the Committee.
- 7.13.2. Utility Lanes. All permanent utility lines from hook-up point to buildings on the property are required to be underground. The planned interconnection point to these utility lines is to be shown on the site plan submitted for approval.
- 7.13.3. Driveways. Driveways shall be constructed of a fixed hard impervious durable surface such as asphalt, concrete, stone or brick. Driveway curb cuts shall have a minimum width of 16 feet.

7.14. **General Conditions**

- 7.14.1. Nuisance. No noxious or offensive activities shall be carried on upon any lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.
- 7.14.2. Garbage. All trash and waste shall be kept in sanitary containers provided by the City of Sequim or its solid waste removal provider, and located on the lots so as not to be visible from the common roadways, except on garbage pickup day.
- 7.14.3. Commerce. No business or commercial activity shall be permitted without the specific written approval of the Association. No business activity shall be permitted that changes the residential appearance of the residence or increases traffic, or is not permitted by the Sequim Municipal Code. No business signs are allowed.
- 7.14.4. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot or building thereon. Dogs, cats or other household pets may be kept provided that such keeping is not for commercial purposes or in such quantities or under such conditions that would be reasonably objectionable in a residential neighborhood. Household pets must be kept within the confines of the owner's property or on a leash at all times. The straying or roaming of any household pets is specifically prohibited. Frequent barking or howling of dogs shall constitute a noise nuisance and shall be sufficient basis for taking action as described in the enforcement paragraph of these Covenants.

7.14.5. Signs. No signs may be placed in Olympic Crest except as follows:

7.14.5.1. The Declarant may place signs advertising Lots for sale; and,

7.14.5.2. An Owner, or an agent of the Owner, may place one sign on Owner's lot advertising that Lot for sale. The sign shall be no larger than two feet by three feet (2' x 3').

7.14.5.3. Signs required by the City of Sequim may be placed by the Declarant or the City of Sequim.

7.14.5.4. Political and campaign signs not larger than six square feet, not more than 60 days prior to an election and not more than one day after an election.

7.15. **Construction Responsibilities**

7.15.1. Permits. The Owner is responsible for all building permits, sewer hook-up permits and other utility arrangements, including the pre-excavation location of underground utilities. Building code compliance and site safety are the responsibility of the Owner.

7.15.2. Street Edges. Edges of street pavement where vehicles enter and exit during site construction must be protected from breakage. If the pavement edge is broken, it is the Owner's responsibility to repair the damage according to the Association's satisfaction.

7.15.3. An irrigation delivery system is installed to each lot. Each lot owner is entitled to use the irrigation system, subject to reasonable rules and regulations established by the Association and the irrigation district supplying water.

7.15.4. Debris. Debris should be disposed of in stages so that large piles do not accumulate. Plastic materials, such as package wrappers, lunch and beverage containers should be placed in containers and not be allowed to spread over the lot or adjacent area. Debris and materials that result from erosion during construction must be kept off the roads and out of the roadway drainage system.

7.15.5. Storage. The unloading and temporary storage of building and landscaping materials on roadways during construction is prohibited unless it is physically impossible to store them on the Owner's property. In this case, permission must be obtained from the Association during new house construction. Permission may be granted for a period not exceeding 24 hours at a time. However, proper safety precautions must be taken when using a roadway for such purposes. A construction trailer for weather protection and the storage of tools and equipment may be parked on the lot during the construction period. It is to be removed as soon as the work is completed. Storage of building and landscaping materials on lots prior to construction is prohibited.

7.15.6. Miscellaneous.

7.15.6.1. A temporary toilet is normally required as part of a construction project. In consideration of the other residents, the owner and contractor shall locate this toilet, to the extent possible, out of sight of neighbors and persons using roads.

7.15.6.2. Each property owner is responsible for the practices employed by contractors and suppliers that are detrimental to the rights of the contiguous property owners. It is the Owner's responsibility to inform, manage and monitor the contractor's practices so as to ensure compliance with this Declaration.

ARTICLE VIII
OWNERS DUTIES

8.1 Minimum Landscape Plan

Owners are responsible for the installation and maintenance of landscaping. Owners must submit a landscape plan to the Committee and receive the Committee's approval of the plan before landscaping work may begin. The plan must designate lawn areas and shrubbery. The Committee may withhold approval of a landscape plan that is not in compliance with this Declaration or is not aesthetically pleasing. Owners shall submit the landscape plan to the Committee no less than 30 days prior to the issuance of a Certificate of Occupancy. All landscape work must be completed within one year after the issuance of a building permit for construction of the residential unit. The Owner is responsible to maintain the landscaping. If an Owner fails to implement a landscaping plan, the Association reserves the right to complete such work and levy an Individual Lot Maintenance Assessment against the Lot for the costs incurred by the Association. Gravel and/or sand is allowed only as a minor decorative element in the front yard. Lawn and shrubbery are allowed.

8.2 Mailboxes

The Declarant, at the direction of the United States Postal Service, shall provide group post office box standards, to be located at a site selected by Declarant.

8.3 House Numbers

Each house shall have an address number displayed on the street side of the home easily visible from the street.

8.4 Maintenance and Repair

Each Owner shall maintain and repair all aspects of the Lot and the improvements on the Lot. This duty of maintenance and repair includes, but is not limited to, pre-construction weed and grass control. Painting and reconstruction shall be done with the original colors and materials or as approved by the Committee.

8.5 Precedence of Protective Covenants & Restrictions

The Protective Covenants and Restrictions take precedence over the County's restrictions of a like nature if the requirements are more restrictive.

ARTICLE IX
AMENDMENTS TO DECLARATION

Any Owner may propose amendments to this Declaration. Proposed amendments shall be submitted to the Association for consideration. Notice of the meeting at which an amendment is to be considered shall be given to all Owners. The notice shall include the text of the proposed

amendment. Amendments may be adopted by the Association upon a 2/3-majority vote. An adopted amendment shall become effective when a certificate signed by the Board of Directors certifying its adoption has been recorded with the Clallam County Auditor.

ARTICLE X
BINDING EFFECT

This Declaration, the conditions, restrictions and easements contained herein shall be for the benefit of and appurtenant to and run with the land above-described, as it now exists or is hereafter divided.

DATED this ____ day of _____, 2006.

Colby Corporation

by _____
John M. Robinett, President

ACKNOWLEDGMENT

State of Washington)
County of Clallam)

I know or have satisfactory evidence that John M. Robinett is the person who appeared personally before me and on oath stated that he was the President of Colby Corporation, and that he was authorized to execute said instrument on behalf of the corporation, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned.

Dated _____, 2006.

NOTARY PUBLIC
My commission expires:_____