



WHEN RECORDED RETURN TO:
HERMAN HERMAN & JOLLEY PS
12340 E VALLEYWAY
SPOKANE WA 99216

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
CAMBRIDGE KNOLL FIRST ADDITION

THIS DECLARATION is made as of the date hereinafter set forth by BEN H. SIMPSON, HELEN L. SIMPSON, A. B. CONWAY MCDONALD and GENEVIEVE MCDONALD, husbands and wives, (hereinafter referred to as "Declarant" or "Declarants") who are the owners of the parcel of land set forth below which will be known as Cambridge Knoll First Addition:

That portion of the north 625.5 feet of the N1/2 of the NW1/4 of Section 29, Township 27 North, Range 43 East, W.M., Spokane County, Washington, described as follows:

Beginning at the northeast corner of said NW1/4 of Section 29; thence S89°07'13"W, along the north line of said NW1/4, 1,292.01 feet to the TRUE POINT OF BEGINNING, being the northwest corner of Lot 1, Block 2 of Cambridge Knoll, according to the plat recorded in Book 23, pages 90 and 91; thence along the boundary of said plat the following seven (7) courses: 1) S00°52'47"E 188.88 feet; 2) N89°07'13"E 61.27 feet; 3) S00°52'47"E 128.88 feet; 4) N89°07'13"E 430.00 feet; 5) S00°52'47"E 178.88 feet; 6) N89°07'13"E 61.68 feet; 7) S00°52'47"E 128.86 feet to the south line of said north 625.5 feet; thence S89°07'13"W, along said south line, 1,291.83 feet to the easterly line of that parcel conveyed to the State of Washington, as described in Warranty Deed recorded August 25, 1995, under Auditor's File No. 9508250121; thence along said easterly line the following two (2) courses: 1) N22°32'46"W 53.83 feet; 2) N21°42'50"W 184.29 feet to the southwest corner of Lot 1, Block 5 of said plat of Cambridge Knoll; thence along the boundary of said lot the following four (4) calls: 1) N88°48'05"E 184.68 feet; 2) N07°47'56"W 178.31 feet to a point on a 440.00 foot radius nontangent curve to the right, the center of circle of

PARCEL NOS: 37292.9118 AND 37292.9119
ABBREVIATED LEGAL: PTN. N 1/2 OF NW. 1/4 29-27-43
COMPLETE LEGAL: PAGE 9.

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which bears N08°57'29"E; 3) along the arc of said curve, through a central angle of 12°23'09", 95.12 feet; 4) S32°34'52"W 172.28 feet to the easterly line of said parcel conveyed to the State of Washington; thence N21°42'50"W, along said easterly line, 225.46 feet to the southwest corner of that parcel conveyed to Spokane County as described in Right of Way Deed recorded August 17, 1995, under Auditor's File No. 9508170115; thence along the boundary of said parcel the following three (3) courses: 1) N68°17'10"E 46.65 feet; 2) N43°52'20"E 60.05 feet; 3) N00°52'17"W 72.75 feet to the north line of said NW1/4; thence N89°07'13"E 841.64 feet to the TRUE POINT OF BEGINNING; and they do hereby dedicate for public use forever the street rights-of-way as shown hereon.

DEDICATION

LET IT BE KNOWN that the Declarants hereby declare 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 the property. That these covenants shall run with the land 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 Cambridge Knoll First Addition Property Owner's Association, its successors and assigns.

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

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

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. The Common Area to be

held by the Association and hereto conveyed to it by the Dedication in the Plat is described as follows:

Lot 1, Block 1 and Lot 10 in Block 3,
CAMBRIDGE KNOLL FIRST ADDITION, in the
County of Spokane, State of Washington,
according to Plat thereof recorded.

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

Section 6. "Declarant" shall mean and refer to Ben Simpson, et ux, and A.B. Conway McDonald, et ux, their successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility, if any, situated upon the Common Area;

(b) the right to charge assessments for the purpose of paying for the required improvements and maintenance of the Stormwater Facilities composed of a detention pond, retention pond and stormwater collection pipes within Cambridge Knoll First Addition and in the adjacent County R.O.W. referred to in the Cambridge Knoll First Addition Maintenance Manual;

(c) the right to charge reasonable penalties and interest when a member after due notice remains in default in the payment of any assessment or charge levied by the Association and also when a member after notice is found responsible for infraction of published rules and regulations;

(d) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by 3/4th



of its members has been recorded.

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

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

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

Section 2. Each member shall be entitled to one vote. When more than one person holds an interest in any Lot, all such persons shall be members. The vote of such persons shall be exercised as they determine, but in no event shall more than one vote be cast by such multiple owners of a lot.

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, (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided, and (3) charges for late payment or violation of conditions, covenants or rules.

The annual and special assessments and charges set forth in (3) above, 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 and charge, 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 or charges 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 and for the improvement and maintenance of the Common Area. The purpose for which Cambridge Knoll First Addition Home

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Owners Association is established is primarily for maintenance and improvements to the Stormwater Facilities. Insurance to protect the facilities, liability insurance to protect the Home Owners Association and the Home Owners and to protect and indemnify officers and directors relating thereto are to be construed as a part of the cost of maintenance and improvement. Assessments and charges due or received for such purposes are not to be used for any other purpose.

Section 3. Maximum Annual Assessments. Until January 1 of the year immediately following the commencement of assessments, the maximum annual assessment shall be eighty-four dollars and sixty cents (\$84.60) per lot.

(a) Thereafter the maximum annual assessment may be increased each year by not more than 5% above the maximum assessment for the previous year without a vote of the membership.

(b) However, the maximum annual assessment may be increased above 5% by a vote of two-thirds (2/3) of its members who are voting in person or by proxy, at a meeting duly called for this purpose.

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

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 the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of its 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 10 days nor more than 50 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all of the votes of its 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 60 days following the

preceding meeting.

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

Section 7. Date of Commencement of Annual Assessments: Due Dates. The Declarant shall accept full responsibility for maintaining and improving the Stormwater Facilities applicable to Cambridge Knoll First Addition until the 10th residential unit of Cambridge Knoll First Addition has been occupied. The annual assessments provided for herein shall commence on the first day of the month following the occupancy of the 10th residential unit or such later date as the Declarants or their successor or the acting developer determines. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least 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 as soon as reasonably obtainable and for a reasonable charge, furnish to any owner, mortgagee or their agents 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. The Association shall not release the unlisted telephone number of any owner.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 12 percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments, charges and interest 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 or charges or interest. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments, charges or interest thereafter becoming due or from the lien thereof.



ARTICLE V
ARCHITECTURAL CONTROL

The only architectural control is set forth in the recorded plat.

ARTICLE VI
INSURANCE

The Property Owner's Association shall secure liability coverage to cover any claims or suits against the Association or any of its members arising out of the existence, care or management of the drainage pond and drainage swales pertaining to Cambridge Knoll First Addition and also to owners of Block 5, Cambridge Knoll, if feasible.

ARTICLE VII
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 wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendments. 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 ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (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 the members.

Section 5. FHA/VA Approval. Until 75% of the lots are sold, 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.

Section 6. All the lots (not designated common property) will be sold only to builders who agree to construct thereon private homes pursuant to RCW 58.19.030(e) exemption to the Land Development Act.

Section 7. Article X of the Articles of Incorporation are for convenience incorporated herein. It states as follows:

Block Five (5) of Cambridge Knoll, which abuts Ballard Road and three sides of Cambridge Knoll First Addition, was years ago improved by a farm house and accessory structures and also by a well and a sewage disposal system. Block Five (5) cannot be served by any facilities pertaining to Cambridge Knoll and Cambridge Knoll Home Owners Association has relieved Block Five (5) of any assessments levied on properties in Cambridge Knoll. The owners of Block Five (5) have agreed that Block Five (5) when public water and/or public sewer facilities are available shall be connected to the public facilities. They agree that when the initial drainage facilities for Cambridge Knoll First Addition are put in service that Block Five (5) will be assessed by Cambridge Knoll First Addition as if it were a part thereof. If feasible, the owners of Block Five (5) are to be covered by the corporation's liability insurance as if it were a part of Cambridge Knoll First Addition.

Section 8. There will be a time when Lot 10, Block 3 of Cambridge Knoll First Addition, the drainage lot west of the culdesac on Pine Needle Avenue, will no longer be needed for the purpose of treatment and disposal of storm water from this Plat. The Association may continue in existence for other than drainage purpose but in any event at such time that Lot 10, Block 3 is no longer needed for drainage purpose and the Home Owners Association or its successor no longer uses the property for any authorized purpose authorized by the Cambridge Knoll First Addition or upon its dissolution or the termination thereof, the title shall become vested in the individual lot owners of Cambridge Knoll First Addition who were members of the Home Owners Association at the time of such dissolution or termination or to the successors in interest of such lot owners.

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IN WITNESS WHEREOF, the undersigned, being the Declarants herein, have hereto set their hands this 18 day of June, 1998.

Ben H. Simpson
BEN H. SIMPSON

A. B. Conway McDonald
A. B. CONWAY McDONALD
By: Launa A. Boyle, Attorney-in-Fact

By: Launa A. Boyle
Attorney-in-Fact

Helen L. Simpson
HELEN L. SIMPSON

Genevieve McDonald
GENEVIEVE McDONALD
By: Launa A. Boyle, Attorney-in-Fact

By: Launa A. Boyle
Attorney-in-Fact

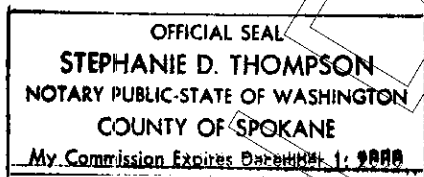
STATE OF WASHINGTON)

ss.

County of Spokane)

On this day personally appeared before me BEN H. SIMPSON and HELEN L. SIMPSON, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 18 day of June, 1998.



Stephanie D. Thompson
NOTARY PUBLIC in and for the State of
Washington, residing at Spokane.
My commission expires 12/1/2000

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STATE OF WASHINGTON)

SS.

COUNTY OF SPOKANE)

On this 18th day of June, 1998, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared LAuna A. Boyle to me known to be the individual who executed the foregoing instrument as attorney in fact of A.B. Conway McDonald and Geneveive H. McDonald therein described, and acknowledged to me that she signed and sealed the said instrument as such attorney in fact for said principals, freely and voluntarily, for the uses and purposes therein mentioned, and on oath stated that the power of attorney authorizing the execution of this instrument has not been revoked and that the said principals are now living.

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

Stephanie D. Thompson
Notary Public in and for the State
of Washington, residing at Spokane
My appointment expires: 12/1/2000

OFFICIAL SEAL
STEPHANIE D THOMPSON
NOTARY PUBLIC-STATE OF WASHINGTON
COUNTY OF SPOKANE
My Commission Expires December 1, 2000

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LEGAL DESCRIPTION

That portion of the North 625.5 feet of the North half of the Northwest quarter of Section 29, Township 27 North, Range 43 East, W.M., described as follows:

BEGINNING at the Northeast corner of said Northwest quarter of Section 29; thence South $89^{\circ}07'13''$ West, along the North line of said Northwest quarter, 1,292.01 feet to the True Point of Beginning, being the Northwest corner of Lot 1, Block 2 of CAMBRIDGE KNOLL as per plat thereof recorded in Volume 23 of Plats, Pages 90 and 91; thence along the boundary of said plat the following seven (7) courses; 1) South $00^{\circ}52'47''$ East, 188.88 feet; 2) North $89^{\circ}07'13''$ East, 61.27 feet; 3) South $00^{\circ}52'47''$ East, 128.88 feet; 4) North $89^{\circ}07'13''$ East, 430.00 feet; 5) South $00^{\circ}52'47''$ East, 178.88 feet; 6) North $89^{\circ}07'13''$ East, 61.68 feet; 7) South $00^{\circ}52'47''$ East, 128.86 feet to the South line of said North 625.5 feet; thence South $89^{\circ}07'13''$ West, along said South line, 1,291.83 feet to the Easterly line of that parcel conveyed to the State of Washington, as described in Warranty Deed recorded August 25, 1995, under Auditor's File No. 9508250121; thence along said Easterly line the following two (2) courses; 1) North $22^{\circ}32'46''$ West, 53.83 feet; 2) North $21^{\circ}42'50''$ West, 184.29 feet to the Southwest corner of Lot 1, Block 5 of said plat of CAMBRIDGE KNOLL; thence along the boundary of said lot the following four (4) calls; 1) North $88^{\circ}48'05''$ East, 184.68 feet; 2) North $07^{\circ}47'56''$ West, 178.31 feet to a point on a 440.00 foot radius nontangent curve to the right, the center of circle of which bears North $08^{\circ}57'29''$ East; 3) along the arc of said curve, through a central angle of $12^{\circ}23'09''$ 95.12 feet; 4) South $32^{\circ}34'52''$ West, 172.28 feet to the Easterly line of said parcel conveyed to the State of Washington; thence North $21^{\circ}42'50''$ West, along said Easterly line, 225.46 feet to the Southwest corner of that parcel conveyed to Spokane County as described in Right of Way Deed recorded August 17, 1995 under Auditor's File No. 9508170115; thence along the boundary of said parcel the following three (3) courses; 1) North $68^{\circ}17'10''$ East, 46.65 feet; 2) North $43^{\circ}52'20''$ East, 60.05 feet; 3) North $00^{\circ}52'47''$ West, 72.75 feet to the North line of said Northwest quarter; thence North $89^{\circ}07'13''$ East, 841.64 feet to the True Point of Beginning;

Situate in the County of Spokane, State of Washington.

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