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CHICAGO TITLE
202707940

"THE WOODS"
ADDENDUM TO
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
THE INDIAN SUMMER
RESIDENTIAL COMMUNITY

Grantor: Indian Trophy, L.L.C.
Grantee: The Public
Legal Description (abbreviated): Lots 11 through 17 and Lots 53 through 57, Indian Summer Golf & Country Club. Additional legal descriptions located on Exhibits "A" and "B" attached hereto.
Assessor's Tax Parcel Numbers: 80470001100, 80470001200, 80470001300, 80470001400 80470001500, 80470001600, 80470001700, 80470005300, 80470005400, 80470005500 80470005600, & 80470005700
Reference No. of Related Documents: 9307270117

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ADDENDUM TO
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

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"THE WOODS"
ADDENDUM TO DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
THE INDIAN SUMMER
RESIDENTIAL COMMUNITY

By acceptance of a conveyance, contract for sale, lease, rental agreement, or any form of security agreement or instrument, or any privileges of use or enjoyment, respecting the Property or any Unit in the Development created by this Declaration, it is agreed that this Declaration, together with the Survey Map and Plans referred to herein, states covenants, conditions, restrictions, and reservations effecting a common plan for the Development mutually beneficial to all of the described Units, and that the covenants, conditions, restrictions, reservations and plan are binding upon the entire Development and upon each such Unit as a parcel of realty, and upon its owners or possessors, and their heirs, personal representatives, successors and assigns, through all successive transfers of all or part of the Development or any security interests therein, without requirement of further specific reference or inclusion in deeds, contracts or security instruments and regardless of any subsequent forfeitures, foreclosures, or sales of Units under security instruments. This Declaration is in addition to that Declaration of Covenants, Conditions and Restrictions for The Indian Summer Residential Community recorded under Thurston County Auditor's File No. 9307270117 as amended, including all addenda thereto.

Article 1

INTERPRETATION

1.1 Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of this Development under the provisions of Washington law. It is intended and covenanted also that, insofar as it affects this Declaration and Development, the provisions of the Act under which this Declaration is operative, shall be liberally construed to effectuate the intent of this Declaration insofar as reasonably possible.

1.2 Covenant Running With Land. It is intended that this Declaration shall be operative as a set of covenants running with the land, or equitable servitudes, binding on Declarant, its successors and assigns, all subsequent Owners of the Property, together with their grantees, successors, heirs, executors, administrators, devises or assigns.

1.3 Percentage of Owners or Mortgagees. For purposes of determining the percentage of Owners or Mortgagees, or percentage of voting power for, approving a proposed decision or course

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of action in cases where an Owner owns, or a Mortgagee holds Mortgages on, more than one Unit, such Owner shall be deemed a separate Owner for each such Unit so owned and such Mortgagee shall be deemed a separate Mortgagee for each such first Mortgage so held.

1.4 Declarant Is Original Owner. Declarant is the original Owner of all Units and Property and will continue to be deemed the Owner thereof except as conveyances or documents changing such ownership regarding specifically described Units are filed of record.

1.5 Captions and Exhibits. Captions given to the various Articles and Sections herein are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof. The various exhibits referred to herein and attached hereto shall be deemed incorporated herein by reference as though fully set forth where such reference is made.

1.6 Inflationary Increase In Dollar Limits. Any dollar amounts specified in this Declaration in connection with any proposed action or decision of the Board or Association may, in the discretion of the Board, be increased proportionately by the increase in the consumer price index for the city of Seattle, Washington for All Urban Consumers, prepared by the United States Department of Labor for the base period, January 1, 1988, to adjust for any change in the value of the dollar.

1.7 Definitions.

1.7.1 "Allocated Interests" means the undivided interest in the Common Elements, the Common Expense Liability, and votes in the Association allocated to each Unit more particularly provided for in Article 6.

1.7.2 "Assessment" means all sums chargeable by the Association against a unit including, without limitation: (a) regular and special Assessments for Common Expenses, as well as charges and fines imposed by the Association such as a change levied pursuant to Section 7.4.1(o); (b) interest and late charges on any delinquent account; and (c) costs of collection, including reasonable attorneys' fees, incurred by the Association in connection with the collection of a delinquent Owner's account.

1.7.3 "Association" means all of the Owners acting as a group in accordance with the Bylaws and with this Declaration as it is duly recorded and as they may be lawfully amended, which Association is more particularly provided for in Article 6.

1.7.4 "Board" means the board of directors of the Association provided for in Section 7.3.

1.7.5 "Building" means the building or buildings containing the Units and comprising a part of the Property.

1.7.6 "Bylaws" shall mean the bylaws of the Association provided for in Article 6.

1.7.7 "Common Elements" means any portion of the Units which are located along a common lot line, e.g., a common wall.

1.7.8 "Common Expenses" means expenditures made by the Association in accordance with the Declaration, including the financial liabilities of the Association, together with any allocations to reserves.

1.7.9 "Common Expense Liability" means the liability for Common Expenses allocated to each Unit pursuant to Article 5.

1.7.10 "Development" means the Property as improved from time to time, including the Units constructed thereon.

1.7.11 "Conveyance" means any transfer of the ownership of a Unit, including a transfer by deed or by real estate contract, but shall not include a transfer solely for security.

1.7.12 "Declarant" means any person or group of persons acting in concert who (a) executed as Declarant this Declaration, or (b) reserves or succeeds to any Special Declarant Right under the Declaration.

1.7.13 "Declarant Control" means the right, if expressly reserved by this Declaration, of the Declarant or persons designated by the Declarant to appoint and remove Association officers and Board members pursuant to the provisions hereof. Such Declarant Control shall expire upon the earlier of the following to occur: when Declarant no longer owns any Unit in the Development; or upon Declarant recording a Notice of Termination of Declarant's Control.

1.7.14 "Declaration" means this Declaration and any amendments thereto.

1.7.15 "Development Rights" means any right, if expressly reserved by the Declarant in this Declaration to: (a) add real property or improvements to the Development; (b) create Units, or Common Elements within real property included or added to the Development; (c) subdivide Units or convert Units into Common Elements; or (d) withdraw real property from the Development.

1.7.16 "Dispose" or "Disposition" means a voluntary transfer or conveyance to a purchaser or lessee of any legal or equitable interest in a Unit, but does not include the transfer or release of a security interest.

1.7.17 "Eligible Mortgagee" means the holder of a mortgage on a Unit that has filed with the secretary of the Association a written request that it be given copies of notices of any action by the Association that requires the consent of Mortgagees.

1.7.18 "Foreclosure" means a forfeiture or judicial or nonjudicial foreclosure of a Mortgage or a deed in lieu thereof.

1.7.19 "Identifying Number" means the lot number of the parcel within the Development.

1.7.20 "Manager" means the person retained by the Board to perform such management and administrative functions and duties with respect to the Development as are delegated to such person and as are provided in a written agreement between such person and the Association.

1.7.21 "Mortgage" means a mortgage or deed of trust that creates a lien against a Unit and also means a real estate contract for the sale of a Unit.

1.7.22 "Mortgagee" means the beneficial owner, or the designee of the beneficial owner, of an encumbrance on a Unit created by mortgage or deed of trust and shall also mean the vendor, or the designee of a vendor, of a real estate contract for the sale of a Unit. A Mortgagee of the Condominium and a Mortgagee of a Unit are included within the definition of Mortgagee.

1.7.23 "Mortgagee of a Unit" means the holder of a Mortgage on a Unit, which mortgage was recorded simultaneous with or after the recordation of this Declaration. Unless the context requires otherwise, the term "Mortgagee of a Unit" shall also be deemed to include the Mortgagee of the Development.

1.7.24 "Mortgagee of the Development" means the holder of a Mortgage on the Property which this Declaration affects, which Mortgage was recorded prior to the recordation of this Declaration. The term "Mortgagee of the Development" does not include Mortgagees of the individual Units.

1.7.25 "Person" means a natural person, corporation, partnership, limited partnership, trust, governmental subdivision or agency, or other legal entitles.

1.7.26 "Property" or "Real Property" means any fee, leasehold or other estate or interest in, over, or under the land described in Exhibit A, including Buildings, structures, fixtures, and other improvements thereon and easements, rights and interests appurtenant thereto which by custom, usage, or law pass with a conveyance of land although not described in the contract of sale or instrument of conveyance. "Property" shall also be deemed to include such real estate as may subsequently added pursuant to the reserved rights of Declarant as set forth herein,, effective upon Declarant taking ownership of such reserved real estate.

1.7.27 "Purchaser" means any person, other than Declarant, who by means of a Disposition acquires a legal or equitable interest in a Unit other than (a) a leasehold interest, including renewal options, of less than twenty years at the time of creation of the Unit, or (b) as security for an obligation.

1.7.28 "Renting or Leasing" a Unit means the granting of a right to use or occupy a Unit, for a specified term or indefinite term (with rent reserved on a periodic basis), in exchange for the payment of rent (that is, money, property or other goods or services of value); but shall not mean and include joint ownership of a Unit by means of joint tenancy, tenancy-in-common or other forms of co-ownership.

1.7.29 "Residential Purposes" means use for dwelling or non-commercial recreational purposes, or both.

1.7.30 "Special Declarant Rights" means rights, if expressly reserved in this Declaration for the benefit of Declarant to:

(a) maintain sales offices, management offices, signs advertising the Development, and models under Section 17.1.2;

(b) use easements through the Common Elements for the purpose of making improvements within the Development or within real property which may be added to the Development;

(c) appoint or remove any officer of the Association or any master association or any member of the Board during any period of Declarant Control under Section 17.1.4.

1.7.31 "Survey Map and Plans" means the survey map and the plans recorded simultaneously with or prior to this Declaration and any amendments, corrections, and addenda thereto subsequently recorded.

1.7.32 "Unit" means the townhouse constructed within the Development and the individual lot on which it was constructed.

1.7.33 "Unit Owner" means, subject to Section 1.8.4, a Declarant or other person who owns a Unit, but does not include a person who has an interest in a Unit solely as security for an obligation. "Unit Owner" means the vendee, not the vendor, or a Unit under a real estate contract.

1.8 Construction and Validity.

1.8.1 All provisions of the Declaration and Bylaws are severable.

1.8.2 The rule against perpetuities may not be applied to defeat any provision of the Declaration, Bylaws, rules, or regulations adopted.

1.8.3 In the event of a conflict between the provisions of the Declaration and the Bylaws, the Declaration prevails.

1.8.4 If the Declaration or Bylaws now or hereafter provide that any officers or directors of the Association must be Unit Owners, then notwithstanding the definition contained in Section 1.7.34, the term "Unit Owner" in such context shall, unless the Declaration or Bylaws otherwise provide, be deemed to include any director, officer, partner in, or trustee of any person, who is, either alone or in conjunction with another person or persons, a Unit Owner. Any officer or director of the Association who would not be eligible to serve as such if he or she were not a director, officer, partner in, or trustee of such a person shall be disqualified from continuing in office if he or she ceases to have any such affiliation with that person, or if that person would have been disqualified from continuing in such office as a natural person.

Article 2

DESCRIPTION OF REAL PROPERTY

The Real Property included in the Development is described in Exhibit A attached hereto.

Article 3

DESCRIPTION OF UNITS

Exhibit B attached hereto sets forth the following:

3.1 Number Of Units. The number of Units which Declarant has created and reserves the right to create, and the identifying number of each unit created by the Declaration.

Article 4

DESCRIPTION OF COMMON EXPENSES

The Common Expenses shall include expenses/costs incurred by the Association with respect to the following:

4.1 Any assessments properly imposed by The Indian Summer Homeowners Association or the Trophy Tee at Indian Summer Homeowners Association, if not assessed directly against the Unit or lot within the Development.

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4.2 The maintenance, painting or staining expense incurred by the Association in its responsibility for the maintenance of the exterior of any townhome constructed on the lots in the Development with such maintenance being limited to the following: repair, maintenance or replacement of any roof or gutters of a Unit; and the painting or staining of the exterior of a Unit. Those matters for which the Association shall not have any obligation for maintenance shall include, but not be limited to, the following: any window, exterior lighting, doors, driveway or sidewalk. In addition, the Association shall have the right to assess against a specific Owner any repairs that are performed by the Association by reason of any damage resulting from the act or negligence of that Owner, Owner's family or invitees.

4.3 The maintenance and care of the lawn areas, including any irrigation system, of any lot within the Property and any trees or shrubs planted on any lot by the Declarant or Association.

Article 5

ALLOCATED INTERESTS

The Allocated Interests of each Unit (that is, the undivided Interest in the Common Expense Liability and the votes in the Association allocated to each Unit) are as set forth in Section 6.3 hereof. The Allocated Interest appertaining to each Unit cannot be changed except as provided in this Declaration. The Allocated Interest and the title to the respective Units shall not be separated or separately conveyed and each undivided interest shall be deemed to be conveyed with its respective Unit even though the description in the instrument of conveyance or encumbrance may refer only to the title to the Unit. The Common Elements are not subject to partition, and any purported conveyance, encumbrance, judicial sale, or other voluntary or involuntary transfer of an Allocated interest made without the Unit to which that interest is allocated is void.

Article 6

OWNER'S ASSOCIATION

6.1 Form of Association. The Association shall be organized as a non-profit corporation under the laws of the State of Washington and shall be known as The Woods Homeowners Association.

6.2 Membership.

6.2.1 Qualification. Each Owner (including Declarant) shall be a member of the Association and shall be entitled to one membership for each Unit so owned; provided, that if a Unit has been sold on contract, the contract purchaser shall exercise the rights of the Unit Owner for purposes of the Association, this Declaration, and the Bylaws, except as hereinafter limited, and shall be the voting representative unless-otherwise specified. Ownership of a Unit shall be the sole qualification for membership in the Association.

6.2.2 Transfer of Membership. The Association membership of each Owner (including Declarant) shall be appurtenant to the Unit giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon the transfer of title to said Unit and then only to the transferee of title to such Unit. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Unit shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

6.3 Voting.

6.3.1 Number of Votes. Each Unit is entitled to one vote.

6.3.2 Multiple Owners. If only one of the multiple Owners of a Unit is present at a meeting of the Association, the Owner is entitled to cast the vote allocated to that Unit. If more than one of the multiple Owners are present, the vote allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple Owners. There is majority agreement if any one of the multiple Owners casts the vote allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Unit.

6.3.3 Proxies. The vote allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. A Unit Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. Unless stated otherwise in the proxy, a proxy terminates eleven months after its date of issuance.

6.3.4 Pledged Votes. If an Owner is in default under a first Mortgage on the Unit for ninety (90) consecutive days or more, the Mortgagee shall automatically be authorized to declare at any time thereafter that the Unit Owner has pledged his or her vote on all issues to the Mortgagee during the continuance of the default. If the Board has been notified of any such pledge to a Mortgagee, or in the event the record Owner or Owners have otherwise pledged their vote regarding special matters to a Mortgagee under a duly recorded Mortgage, only the vote of such Mortgagee or vendor, will be recognized in regard to the special matters upon which the vote is so pledged, if a copy of the instrument with this pledge has been filed with the Board. Amendments to this subsection shall only be effective upon the written consent of all the voting Owners and their respective Mortgagees, if any.

6.4 Meetings, Notices and Quorums.

6.4.1 Meetings. A meeting of the Association must be held at least once each year. Special meetings of the Association may be called by the president, a majority of the Board, or by Unit Owners having twenty percent of the votes in the Association. Not less than ten nor more than sixty days in advance of any meeting, the secretary or other officer specified in the bylaws shall cause notice to be hand delivered or sent prepaid by first class United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner. The notice of any meeting shall state the time and place of the meeting and the items on the agenda to be voted on by the members, including the general nature of any proposed amendment to the Declaration or Bylaws, changes in the previously approved budget that result in a change in Assessment obligations, and any proposal to remove a director or officer.

6.4.2 Quorums.

(a) A quorum is present throughout any meeting of the Association if the Owners of Units to which sixty-seven percent of the votes of the Association are allocated are present in-person or by proxy at the beginning of the meeting.

(b) A quorum is deemed present throughout any meeting of the Board if persons entitled to cast fifty percent of the votes on the Board are present at the beginning of the meeting.

6.5 Bylaws of Association.

6.5.1 Adoption of Bylaws. Bylaws (and amendments thereto) for the administration of the Association and the Property, and for other purposes not inconsistent with the intent of this Declaration shall be adopted by the Association upon concurrence of those voting Owners holding a majority of the total voting power. Amendments to the Bylaws may be adopted at any regular or special meeting. Notwithstanding the foregoing, Declarant may adopt initial Bylaws, which shall remain in place without amendment (except by Declarant) for the period of Declarant's Control.

6.5.2 Bylaws Provisions. The Bylaws may contain supplementary, not inconsistent, provisions regarding the operation and administration of the Association's responsibilities contained herein.

Article 7

MANAGEMENT OF ASSOCIATION

7.1 Administration of the Association. The Unit Owners covenant and agree that the administration of the Association shall be in accordance with the provisions of this Declaration and the Articles of Incorporation and Bylaws of the Association which are made a part hereof.

7.2 Election and Removal of Board.

7.2.1 Declarant Control. Notwithstanding the provisions of Article 6 or any other Article of this Declaration, Declarant has reserved and shall have the sole right and power to make any and all decisions of the Association so long as Declarant owns any of the Units or lots in the Property, and Owners shall not be members of the Association until Declarant no longer owns any lots/Units, unless Declarant consents thereto in writing.

7.2.2 Owner Election After Declarant Control. Within thirty days after the termination of the period of Declarant Control, the Unit Owners shall elect a Board of at least three members, at least a majority of whom must be Unit Owners. The Board shall elect the officers. Such members of the Board and officers shall take office upon election.

7.2.3 Removal. Following the termination of the period of Declarant's Control, the Unit Owners, by a two-thirds vote of the voting power in the Association present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any member of the Board with or without cause.

7.3 Management by Board.

7.3.1 On Behalf of Association. Except as otherwise provided in the Declaration, the Bylaws or Section 7.3.2, the Board shall act in all instances on behalf of the Association. In the performance of their duties, the officers and members of the Board are required to exercise ordinary and reasonable care.

7.3.2 Not on Behalf of Association. The Board shall not act on behalf of the Association to amend the Declaration in any manner that requires the vote or approval of the Unit Owners; or to elect members of the Board or determine the qualifications, powers, and duties, or terms of office of members of the Board but the Board may fill vacancies in its membership for the unexpired portion of any term.

7.3.3 Budget Approval. Provided that the period of Declarant's Control has expired, then within thirty days after adoption of any proposed budget for fulfilling the responsibilities of the Association as set forth in this Declaration, the Board shall provide a summary of the budget to all the Unit Owners and shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary. Unless at that meeting the Owners of Units to which a majority of the votes in the Association are allocated reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Board.

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7.4 Authority of the Association.

7.4.1 Following the termination of the period of Declarant's Control, the Association acting by and through the Board, or a Manager appointed by the Board, for the benefit of the Development and the Owners, shall enforce the provisions of this Declaration and of the Bylaws and shall have all powers and authority permitted to the Association under this Declaration, including without limitation:

(a) Adopt and amend Bylaws, rules, and regulations;

(b) Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect Assessments for Common Expenses from Unit Owners;

(c) Hire and discharge or contract with managing agents and other employees, agents, and independent contractors;

(d) Make contracts and incur liabilities;

(e) Regulate the use, maintenance, repair, replacement, and modification of Common Elements;

(f) Cause additional improvements to be made as a part of the Common Elements;

(g) Impose and collect charges for late payment of assessments and, after notice and an opportunity to be heard by the Board or by such representative designated by the Board and in accordance with such procedures as provided in the Declaration or Bylaws or rules and regulations adopted by the Board, levy reasonable fines in accordance with a previously established scheduled thereof adopted by the Board and furnished to the Owners for violations of the Declaration, Bylaws, and rules and regulations of the Association;

(h) Impose and collect reasonable charges for the preparation and recording of amendments to the Declaration and statements of unpaid Assessments;

(i) Provide for the indemnification of its officers and Board and maintain directors' and officers' liability insurance;

(j) Assign its right to future income, including the right to receive Common Expense assessments, but only to the extent the Declaration provides;

(k) Exercise any other powers conferred by the Declaration or Bylaws;

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(l) Exercise all other powers that may be exercised in this state by the same type of corporation as the Association;

(m) Exercise any other powers necessary and proper for the governance and operation of the Association;

(n) Maintain and repair any lot or Unit, pursuant to the responsibilities of the Association as set forth herein and if such maintenance or repair is reasonably determined by the Board to have resulted from the act or negligence of an Owner, his family or invitees, and the Owner of said Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner, then the Board shall levy a special charge against the Unit of such Owner for the cost of such maintenance or repair performed by the Association and Owner grants to the Association an easement and license to come onto Owner's lot for the performance of such repair and/or maintenance; and

7.4.2 Until such time as the period of Declarant's Control has terminated, Declarant shall have the exclusive power and authority with respect to the provisions of 7.4.1

7.4.3 The Board and its agents or employees with advance notice to the Owner (unless an emergency exists), may enter any Unit or lot when necessary in connection with any maintenance, landscaping or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Board paid for as a Common Expense if the entry was due to an emergency, or for the purpose of maintenance or repairs to Common Elements where the repairs were undertaken by or under the direction or authority of the Board.

7.5 Borrowing by Association. In the discharge of its duties and the exercise of its powers as set forth in Section 7.4.1, but subject to the limitations set forth in this Declaration, the Board may borrow funds on behalf of the Association and to secure the repayment of such funds, assess each Unit (and the Owner thereof) for said Unit's pro rata share of said borrowed funds and the obligation to pay said pro rata share shall be a lien against said Unit and the undivided Interest in the Common Elements appurtenant to said Unit. Provided, that the Owner of a Unit may remove said Unit and the Allocated Interest in the Common Elements appurtenant to such Unit from the lien of such assessment by payment of the Allocated Interest in Common Expense Liability attributable to such Unit. Subsequent to any such payment, discharge, or satisfaction, the Unit and the Allocated Interest in the Common Elements appurtenant thereto shall thereafter be free and clear of the liens so paid, satisfied, or discharged. Such partial payment, satisfaction, or discharge shall not prevent the lienor from proceeding to enforce his rights against any Unit and the Allocated Interest in the Common Elements appurtenant thereto not so paid, satisfied, or discharged.

7.6 Association Records and Funds.

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7.6.1 Records and Audits. All financial and other records shall be made reasonably available for examination by any Unit Owner, the Owner's authorized agents and all Mortgagees. At least annually, the Association shall prepare, or cause to be prepared, a financial statement of the Association in accordance with generally accepted accounting principles.

7.6.2 Fund Commingling. The funds of the Association shall not be commingled with the funds of any other Association, nor with the funds of any Manager of the Association or any other person responsible for the custody of such funds. Any reserve funds of the Association shall be kept in a segregated-account and any transaction affecting such funds, including the issuance of checks, shall require the signature of Declarant's designee during the period of Declarant's Control, and thereafter at least two persons who are officers or directors of the Association.

Article 8

USE; REGULATION OF USES; ARCHITECTURAL UNIFORMITY

8.1 Residential Units. The Units shall be used: for Residential Purposes only, including sleeping, eating, food preparation for on-site consumption by occupants and guests, entertaining by occupants of personal guests and similar activities commonly conducted within a residential dwelling, without regard to whether the Unit Owner or occupant resides in the Unit as a primary or secondary personal residence, on an ownership, rental, lease or invitee basis; for such other reasonable purposes permitted by law in residential dwellings; for the common social, recreational or other reasonable uses normally incident to such purposes; and for purposes of operating the Association.

8.2 Exterior Appearance. In order to preserve a uniform exterior appearance to any structure having Common Elements, the Board (or upon being established, the ARB) shall require and provide for the painting and other decorative finish of the Building or Common Elements, and prescribe the type and color of such decorative finishes, and may prohibit, require or regulate any modification or decoration of the Building or Common Elements undertaken or proposed by any Owner. This power of the Board (or the ARB once established) extends to the roofs of each Unit and Building.

8.3 Effect on Insurance. Nothing shall be done or kept in any Unit which will increase the rate of insurance on the Common Elements or Units without the prior written consent of the Board. No Owner and/or Purchaser shall permit anything to be done or kept in his Unit which will result in the cancellation of insurance on any Unit or any part of the Common Elements, or which would be in violation of any laws.

Article 9

ARCHITECTURAL REVIEW BOARD AND USE RESTRICTIONS

9.1 Permitted Improvements. No improvements of any nature whatsoever shall be constructed, altered, added to, or maintained upon the Property except for: (a) dwellings or any other improvements which are constructed by Declarant; (b) such improvements as are approved by the Architectural Review Board (ARB) in accordance with the provisions of this Article; or (c) improvements which pursuant to this Article do not require the consent of the ARB.

9.2 Architectural Review Board. The board of Directors shall establish the ARB which shall consist of up to five (5) but not less than three (3) members, who may or may not be Owners, provided that all members of the ARB shall be appointed, removed and replaced by Declarant in its sole discretion until the termination of the period of Declarant Control. The regular term of office for each member shall be one (1) year, coinciding with the fiscal year of the Association. After the termination of the period of Declarant Control, any ARB member appointed by the Board may be removed with or without cause by the Board at any time by written notice to such appointee, and a successor or successors appointed to fill such vacancy shall serve the remainder of the term of the former member.

9.2.1 The ARB shall elect a chairman who shall be the presiding officer at its meetings. The ARB shall meet once in each calendar month, as required, as well as upon call of the chairman, and all meetings shall be held at such places as may be designated by the chairman. Three (3) members shall constitute a quorum for the transaction of business, and the affirmative vote of a majority of those present in person or a proxy at a meeting of the ARB shall constitute the action of the ARB on any matter before it. The ARB is authorized to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the ARB in performing its functions set forth herein. Each member of the ARB may be paid a stipend or honorarium as from time to time determined by the Board.

9.3 Improvements Which Require ARB Approval. To preserve the architectural and aesthetic appearance of the Development, no construction of improvements of any nature whatsoever shall be commenced or maintained by any Owner or person other than Declarant, with respect to any lot, dwelling or with respect to any other portion of the Development, including, without limitation, the construction or installation of sidewalks, exterior stairways, driveways, parking lots, mail boxes, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, playhouses, awnings, exterior walls, fences, exterior lights, garages or outbuildings without ARB approval, nor shall any exterior addition to or change or alteration therein be made (including, without limitation, painting or staining of any exterior surface) without ARB approval.

9.4 Submission to ARB for Approval. Two (2) copies of a complete set of architectural, site drainage and landscaping plans and specifications and related materials and data in a form and to the extent required by the ARB including, a site drawing showing the location of trees of six (6) inches in diameter at a height of four (4) feet and other significant vegetation on such site shall be submitted to the ARB showing the nature, color, type, shape, floor plan, height, materials, and location of the same. The ARB shall approve or disapprove the submittal after consideration of the consistency of design with this Article 9, including but not limited to the harmony of external design, location, the building footprint and appearance in relation to surrounding structures and topography.

9.4.1 One copy of such plans, specifications and related data so submitted shall be retained in the records of the ARB, and the other copy shall be returned to the Owner marked "approved" or "disapproved." If disapproved, the reason or reasons for such disapproval shall also be maintained in the records of the ARB and delivered to the proponent, in writing. The ARB shall establish a fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms hereof. The fee initially established for such review shall be $300.00 for each submission, and the ARB shall have the right to increase this amount from time to time to an amount not to exceed $500.00. Notwithstanding the foregoing, an Owner may make interior improvements and alterations within a dwelling or any building or structures which it owns or maintains, without the necessity of approval or review by the ARB. The ARB shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to the Association. In connection with approval rights and to prevent excessive drainage or surface water run-off, the ARB shall have the right to establish a maximum percentage of a lot which may be covered by dwellings, buildings, structures or other improvements, which standards shall be promulgated on the basis of topography, percolation rate of the soil, soil types and conditions, vegetation cover and other environmental factors. The ARB shall establish a building envelope for each lot within the Property and no improvement, except fencing approved by the ARB, shall be constructed outside that envelope.

9.4.2 Following approval of any plans and specifications by the ARB, representatives of the ARB shall have the right, during reasonable hours, to enter upon and inspect any lot with respect to which construction is underway to determine whether or not the plans and specifications therefor have been approved and are being complied with. In the event the ARB shall determine that such plans and specifications have not been approved or are not being complied with, the ARB shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved plans and specifications.

9.4.3 In the event the ARB fails to approve or disapprove in writing any proposed plans and specifications within forty-five (45) days after such plans and specifications shall have been submitted, such plans and specifications will be deemed to have been expressly approved. Upon approval of plans and specifications, no further approval under this Article shall be required with respect thereto, unless such construction has not substantially commenced within one (1) year of the approval of such plans and specifications (e.g., clearing and grading, pouring of footings, etc.) or unless such plans and specifications are materially altered or changed. Refusal of approval of plans and specifications by the ARB may be based upon any ground which is consistent with the objects and purposes of this Declaration, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious. Completion of any approved construction shall be accomplished with all due speed and no later than one year following approval of the ARB.

9.5 Approval Not a Guarantee. No approval of plans and specifications and no publication of architectural standards shall be construed as representing or implying that such plans, specifications, or standards comply with requirements of any local permitting authority, or, if followed, will result in properly designed improvements. Neither Declarant, the Association, nor the ARB shall be responsible or liable for any defects in any plans or specifications submitted, reviewed or approved pursuant to the terms of this Article, nor any defects in construction undertaken pursuant to such plans and specifications.

9.6 Conditional Approval. The ARB may condition its approval of any modification to any structure located on any lot which is part of the Property upon an adjustment in the allocation of Common Expense liability to reflect the change or modification so approved. Any such allocation adjustment shall be recorded by the ARB with the county auditor.

9.7. Additional Provisions. Each and every other provision concerning the Architectural Review Board established in the Declaration of Covenants, Conditions and Restrictions for The Indian Summary Residential Community as set forth in that document recorded under Thurston County Auditor's File No. 9307270117 as set forth in Article IV shall also be included by this reference in this Declaration and applicable to the ARB and the Unit Owners.

Article 10

COMMON EXPENSES AND ASSESSMENTS

10.1 Estimated Expenses. Within sixty (60) days prior to the beginning of each calendar year, or such other fiscal year as the Board may adopt, the Board: shall estimate the expenses of the Association including Common Expenses, and any special charges for particular Units to be paid during such year; shall make provision for creating, funding and maintaining reasonable reserves for future contingencies, operations, expenses and Common Expenses; and shall take into account any

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expected income and any surplus available from the prior year's operating fund. Without limiting the generality of the foregoing but in furtherance thereof, the Board shall create and maintain from regular monthly Assessments a reserve fund for Common Expenses and the replacement of those Common Elements which can reasonably be expected to require replacement or a major repair prior to the end of the useful life of the Buildings. The Board shall calculate the contributions to said reserve fund so that there are sufficient funds therein for future Common Expenses. The Initial Board may at any suitable time establish the first such estimate. If the sum estimated and budgeted at any time proves inadequate for any reason (including non-payment for any reason of any Owner's Assessment), the Board may at any time levy a further Assessment, which shall be assessed to the Owners according to the provisions hereof. Similarly, if the sum estimated and budgeted, and being collected and/or already collected, at any time proves excessive, the Board may reduce the amount being assessed and/or apply existing funds (in excess of current needs and required reserves) against future Assessments and/or refund such excess funds.

10.2 Payment by Owners. Each Owner shall be obligated to pay its share of Common Expenses and special charges made pursuant to this Article to the treasurer for the Association in equal monthly installments on or before the first day of each month during such year, or in such other reasonable manner as the Board shall designate. No Owner may exempt himself from liability for payment of assessments for any reason.

10.3 Commencement of Assessments. The Declarant in the exercise of its reasonable discretion shall determine when the Association shall commence making Assessments. After any Assessment has been made by the Association, Assessments must be made against all Units, based on a budget adopted by the Association; provided, for a period not to exceed twelve (12) months following the date of first conveyance of a Unit to an Owner other than Declarant or an Affiliate of Declarant, the Board may elect not to collect monthly assessments calculated as provided herein and instead elect to collect and expend monthly assessments based on the actual costs of maintaining, repairing, operating and insuring the Common Areas.

10.4 Allocated Liability. All Common Expenses must be assessed against all the Units on an equal basis except an Assessment relating to expense of repair or maintenance arising from damage caused by the act or neglect of an Owner, Owner's family or invitee or an assessment relating to the ARB's approval of a modification to a Unit. Any past due Common Expense Assessment or installment thereof bears interest at the rate established by the Association pursuant to the provisions hereof.

10.5 Owner Misconduct. To the extent that any Common Expense is caused by the misconduct of any Unit Owner, the Association shall assess that expense against the Owner's Unit.

10.6 Reallocation. If Common Expense Liabilities are reallocated, Common Expense Assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense Liabilities.

10.7 Lien For Assessments.

10.7.1 Lien. The Association has a lien on a Unit for any unpaid Assessments levied against a Unit from the time the Assessment is due.

10.7.2 Priority. A lien under this Section shall be prior to all other liens and encumbrances on a Unit except: (a) liens and encumbrances recorded before the recording of the Declaration; (b) a Mortgage on the Unit recorded before the date on which the Assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the Unit.

10.7.3 Mortgage Priority. Except as provided in Sections 10.7.4 and 10.7.5, the lien shall also be prior to the Mortgages described in Section 10.7.2(b) to the extent of Assessments for Common Expenses based on the periodic budget adopted by the Association pursuant to Section 10.1, which would have become due during the six months immediately preceding the date of the sheriff's sale in an action for judicial foreclosure by either the Association or a Mortgagee, the date of a trustee's sale in a non-judicial foreclosure by a Mortgagee, or the date of recording of the Declaration of forfeiture in a proceeding by the vendor under a real estate contract.

10.7.4 Mortgagee Notice. The priority of the Association's lien against Units encumbered by a Mortgage held by an Eligible Mortgagee or by a Mortgagee which has given the Association a written request for a notice of delinquent Assessments shall be reduced by up to three months if and to the extent that the lien priority under Section 10 includes delinquencies which relate to a period after such holder becomes an Eligible Mortgagee or has given such request for notice and before the Association gives the holder a written notice of the delinquency. This Section does not affect the priority of mechanics' or materialmen's liens, or the priority of liens for other Assessments made by the Association.

10.7.5 Recording as Notice. Recording of the Declaration constitutes record notice and perfection of the lien for Assessments. While no further recording of any claim of lien for Assessment under this section shall be required to perfect the Association's lien, the Association may record a notice of claim of lien for Assessments under this Section in the real property records of any county in which the Development is located. Such recording shall not constitute the written notice of delinquency to a Mortgagee referred to in Section 10.7.3.

10.7.6 Limitation on Action. A lien for unpaid Assessments and the personal liability for payment of Assessments is extinguished unless proceedings to enforce the lien or collect the debt are instituted within three years after the amount of the Assessments sought to be recovered becomes due.

10.7.7 Foreclosure. The lien arising under Section 10.7 may be enforced judicially by the Association or its authorized representative in the manner set forth in chapter 61.12

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RCW. The Association or its authorized representative shall have the power to purchase the Unit at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. Nothing in this Section shall prohibit an Association from taking a deed in lieu of foreclosure.

10.7.8 Receiver. From the time of commencement of an action by the Association to foreclose a lien for nonpayment of delinquent Assessments against a Unit that is not occupied by the Owner thereof, the Association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the Unit as and when due. If the rental is not paid, the receiver may obtain possession of the Unit, refurbish it for rental up to a reasonable standard for rental units in this type of Development, rent the Unit or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' fees thereof, then to the cost of refurbishing the Unit, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent assessments. Only a receiver may take possession and collect rents under this section, and a receiver shall not be appointed less than ninety days after the delinquency. The exercise by the Association of the foregoing rights shall not affect the priority of preexisting liens on the Unit.

10.7.9 Mortgagee Liability. Except as provided in Section 10.7.3, the holder of a Mortgage or other Purchaser of a Unit who obtains the right of possession of the Unit through foreclosure shall not be liable for Assessments or installments thereof that became due prior to such right of possession. Such unpaid Assessments shall be deemed to be Common Expenses collectible from all the Unit Owners, including such Mortgagee or other purchaser of the Unit. Foreclosure of a Mortgage does not relieve the prior Owner of personal liability for Assessments accruing against the Unit prior to the date of such sale as provided in this Section.

10.7.10 Lien Survives Sale. The lien arising under Section 10.7 shall not be affected by the sale or transfer of the subject Unit except in the event of sale through foreclosure, as provided in Section 10.7.7.

10.7.11 Owner Liability. In addition to constituting a lien on the Unit, each Assessment shall be the joint and several obligation of the Owner or Owners of the Unit to which the same are assessed as of the time the Assessment is due. In a voluntary conveyance the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid Assessments against the latter up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Suit to recover a personal Judgment for any delinquent Assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.

10.7.12 Late Charges. The Association may from time to time establish reasonable late charges and a rate of interest to be charged on all subsequent delinquent Assessments or installments thereof. In the absence of another established nonusurious rate, delinquent Assessments shall bear interest from the date of delinquency at the maximum rate permitted under RCW 19.52.020 on the date on which the Assessments became delinquent.

10.7.13 Attorney's Fees. The prevailing party shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent Assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the prevailing party shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal and in the enforcement of a judgment.

10.7.14 Assessment Certificate. The Association, upon written request, shall furnish to a Unit Owner or a Mortgagee a statement signed by an officer or authorized agent of the Association setting forth the amount of unpaid Assessments against that Unit. The statement shall be furnished within fifteen days after receipt of the request and is binding on the Association, the Board, and every Unit Owner, unless and to the extent known by the recipient to be false.

10.8 Acceleration of Assessments. In the event any monthly Assessment or special charge attributable to a particular Unit remains delinquent for more than sixty (60) days, the Board may, upon fifteen (15) days' written notice to the Owner of such Unit, accelerate and demand immediate payment of all, or such portion as the Board determines, of the monthly Assessments and special charges which the Board reasonably determines will become due during the next succeeding twelve (12) months with respect to such Unit.

Article 11

INSURANCE

11.1 In General. Commencing not later than the time of the first conveyance of a Unit to a person other than a Declarant, the Association shall maintain, to the extent reasonably available:

11.1.1 Property insurance on the physical structure of the Units, but need not include coverage for equipment, improvements, and betterments in a Unit installed by the Declarant or the Unit Owners. Such coverage obtained by the Association shall insure against all risks of direct physical loss commonly insured against and may, or may not, include earthquake insurance in the discretion of the Association. The total amount of insurance after application of any deductibles shall not be less than one hundred percent of the actual cash value of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies; and

11.1.2 Liability insurance, including medical payments insurance, in an amount determined by the Board but not less than One Million Dollars, covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of any portion of the Development for which the Association is responsible pursuant to this Declaration.

11.1.3 Workmen's compensation insurance to the extent required by applicable laws.

11.1.4 Fidelity bonds naming the members of the Board, any Manager and its employees and such other persons as may be designated by the Board as principals and the Association as obligee, in at least an amount equal to three months aggregate Assessments for all Units plus reserves, in the custody of the Association or Manager at any given time during the term of each bond. Such fidelity bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definitions of 'employee' or similar expression.

11.1.5 Insurance against loss of personal property of the Association by fire, theft and other losses with deductible provisions as the Board deems advisable.

11.1.6 Such other insurance as the Board deems advisable; provided, that notwithstanding any other provisions herein, the Association shall continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements, if any, for projects similar to the Development as may be established by Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Veteran's Administration, or other governmental or quasi-governmental agencies involved in the secondary mortgage market, so long as any such agency is a Mortgagee or Owner of a Unit within the project, except to the extent such coverage is not available or has been waived in writing by such agency.

11.2 Coverage Not Available. If the insurance described in Section 11.1 is not reasonably available, or is modified, canceled, or not renewed, the Association promptly shall cause notice of that fact to be hand delivered or sent prepaid by first class United States mail to all Unit Owners, to each Eligible Mortgagee, and to each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last known addresses. The Association in any event may carry any other insurance it deems appropriate to protect the Association or the Unit Owners.

11.3 Required Provisions. Insurance policies carried pursuant to this Article shall:

11.3.1 Provide that each Unit Owner is an insured person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association;

11.3.2 Provide that the insurer waives its right to subrogation under the policy as to any and all claims against the Association, the Owner of any Unit and/or their respective agents, employees or tenants, and members of their household, and of any defenses based upon co-insurance or upon invalidity arising from the acts of the insured;

11.3.3 Provide that no act or omission by any Unit Owner, unless acting within the scope of the Owner's authority on behalf of the Association, nor any failure of the Association to comply with any warranty or condition regarding any portion of the premises over which the Association has no direct control, will void the policy or be a condition to recovery under the policy; and

11.3.4 Provide that if, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance, and that the liability of the insurer thereunder shall not be affected by, and the insurer shall not claim any right of setoff, counterclaims, apportionment, pro-ration, contribution or assessment by reason of, any other insurance obtained by or for any Unit Owner or any Mortgagee;

11.3.5 Provide that, despite any provision giving the insurer the right to restore damage in lieu of a cash settlement, such option shall not be exercisable without the prior written approval of the Association, or when in conflict with the provisions of any insurance trust agreement to which the Association is a party, or any requirement of law;

11.3.6 Contain no provision (other than insurance conditions) which will prevent Mortgagees from collecting insurance proceeds; and

11.3.7 Contain, if available, an agreed amount and Inflation Guard Endorsement.

11.4 Claims Adjustment. Any loss covered by the property insurance under this Article must be adjusted with the Association, but the insurance proceeds for that loss are payable to any insurance trustee designated for that purpose, or otherwise to the Association, and not to any holder of a Mortgage. The insurance trustee or the Association shall hold any insurance proceeds in trust for Unit Owners and lienholders as their interests may appear. Subject to the provisions of this Article, the proceeds must be disbursed first for the repair or restoration of the damaged property, and Unit Owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored. Such repair or restoration shall be completed within 180 days of the date of the casualty loss. It shall be the responsibility of the Association to pay for any deductible (as a Common Expense) called for by the insurance coverage policy. If after the Association's payment of any deductible, the insurance proceeds, for any reason, are insufficient to fully repair or restore the Unit structure, the Unit Owner shall be responsible for providing the necessary sums in order to complete said repair or restoration. Failure of the Unit Owner to accomplish the repair or restoration of the Unit structure within 180 days of the date of the casualty loss, shall result in the Association assuming the control of the repair and restoration and to the extent that the cost of said repair or restoration exceeds the applicable deductible and insurance proceeds available, such excessive cost shall be the sole responsibility of the Unit Owner and shall constitute a lien against the Unit in favor of the Association.

11.5 Owner's Additional Insurance. An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for the Owner's own benefit. **It is the Unit Owner's responsibility, and not the Association's, to provide and retain insurance coverage for any property or property interest of the Unit Owner or liability insurance, unrelated to the reconstruction of the Unit structure, e.g., the damage to any contents of the Unit resulting from fire or other casualty, homeowner's liability insurance coverage.**

11.6 Certificate. An insurer that has issued an insurance policy under this Article shall issue certificates or memoranda of insurance to the Association and, upon written request, to any Unit Owner or holder of a Mortgage. The insurer issuing the policy may not modify the amount or the extent of the coverage of the policy or cancel or refuse to renew the policy unless the insurer has complied with all applicable provisions of Chapter 48.18 RCW pertaining to the cancellation or nonrenewal of contracts of insurance.

11.7 Notification on Sale of Unit. Promptly upon the conveyance of a Unit, the new Unit Owner shall notify the Association of the date of the conveyance and the Unit Owner's name and address. The Association shall notify each insurance company that has issued an insurance policy to the Association for the benefit of the Owners under this Article of the name and address of the new Owner and request that the new Owner be made a named insured under such policy.

Article 12

COMPLIANCE WITH DECLARATION

12.1 Enforcement. Each Owner shall comply strictly with the provisions of this Declaration, the Bylaws and administrative rules and regulations passed hereunder, as the same may be lawfully amended from time to time, and with all decisions adopted pursuant to this Declaration, the Bylaws and administrative rules and regulations. Failure to comply shall be grounds for an action to recover sums due for damages, or injunctive relief, or both, maintainable by the Board (acting through its officers on behalf of the Owners), or by the aggrieved Owner on his own against the party (including an Owner or the Association) failing to comply.

12.2 No Waiver of Strict Performance. The failure of the Board in any one or more instances to insist upon the strict performance of this Declaration, of the Bylaws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Board of any assessment from an Owner, with knowledge of any such breach shall not be deemed a waiver of such breach, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board.

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Article 13

LIMITATION OF LIABILITY

13.1 Liability for Utility Failure, Etc. Except to the extent covered by insurance obtained by the Board (if any) pursuant to Article 10, neither the Association nor the Board nor the Manager shall be liable for: any failure of any utility or other service to be obtained and paid for by the Board; or for injury or damage to person or property caused by the elements, or resulting from electricity, noise, smoke, water, rain (or other liquid), dust or sand which may leak or flow from outside or from any parts of the buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other places, or for inconvenience or discomfort resulting from any action taken to comply with any law, ordinance or orders of a governmental authority. No diminution or abatement of Assessments shall be claimed or allowed for any such utility or service failure, or for such injury or damage, or for such inconvenience or discomfort.

13.2 No Personal Liability. So long as a Board member, Association committee member, or Association officer has made a decision in good faith, without willful or intentional misconduct, upon the basis of such information as may be possessed by such person, no such person shall be personally liable to any Owner, or other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence (except gross negligence), any discretionary decision, or failure to make a discretionary decision, by such person in such person's official capacity; provided, that this Section shall not apply where the consequences of such act, omission, error or negligence are covered by any insurance that may have been obtained by the Board.

13.3 Indemnification of Board Members. Each Board member or Association committee member, or Association officer, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of being or having held such position at the time such expenses or liabilities are incurred, except in such cases wherein such person is adjudged guilty of intentional misconduct, or gross negligence or a knowing violation of the law in the performance of his duties and except in such cases where such person has participated in a transaction from which said person will personally receive a benefit in money, property or services to which said person is not legally entitled. Provided, that, in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. Any such reimbursement or indemnification shall be considered a Common Expense.

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Article 14

EASEMENTS

14.1 General. It is intended that each Unit has an easement in and through each other Unit with respect to the Common Elements for all support elements and utility, wiring, heat and service elements, and for reasonable access thereto.

14.2 Association Functions. There is hereby reserved to Declarant and the Association, or their duly authorized agents and representatives, such easements as are necessary, for emergency repairs and/or to perform the duties and obligations of the Association as are set forth in this Declaration, or in the Bylaws, and the Association Rules.

14.3 Encroachments. Each Unit and Common Element is hereby declared to have an easement over all adjoining Units and Common Element, for the purpose of accommodating any encroachment due to engineering errors, or errors in original construction, reconstruction, repair of any portion of the Building, or any other similar cause, and any encroachment due to building overhang or projection. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful act or acts with full knowledge of said Owner or Owners. In the event a Unit or Common Element is partially or totally destroyed, and then repaired or rebuilt, the Owners agree that minor encroachments over adjoining Units and Common Elements shall be permitted, and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any Unit.

14.4 Utility/Storm Drainage. An easement is hereby created over and across each lot in the Development for the benefit of all Owners for the purpose of providing utilities and for storm drainage into drywells that may be installed on a lot for the benefit of other lots. In the event that any work is performed in connection with such easement, the lot impacted by such work shall be restored substantially to the same condition as it existed prior to such work being performed, e.g. restoration of lawn and landscaping.

Article 15

AMENDMENT OF DECLARATION, SURVEY MAP, PLANS

15.1 In General. Except in cases of amendments that may be executed by a Declarant (in the exercise of any Development Right) and except as limited by Section 15.4, the Declaration, including the Survey Maps and Plans, may be amended only by vote or agreement of Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated.

Notwithstanding the foregoing, during the period of Declarant Control, the Declarant shall have the right, power and authority to amend this Declaration in such manner as Declarant may determine to be appropriate in Declarant's sole discretion.

15.2 Challenge to Validity. No action to challenge the validity of an amendment adopted by the Association pursuant to this Article may be brought more than one year after the amendment is recorded.

15.3 Recording. Every amendment to the Declaration must be recorded in every county in which any portion of the Development is located, and is effective only upon recording. An amendment shall be indexed in the name of the Development and shall contain a cross-reference by recording number to the Declaration and each previously recorded amendment thereto. All amendments adding Units shall contain a cross-reference by recording number to this Declaration and the legal description relating to the added Units.

15.4 General Limitations. Except to the extent expressly permitted or required by other provisions of the Act, no amendment may create or increase Special Declarant Rights, increase the number of Units, change the boundaries of any Unit, the Allocated Interests of a Unit, or the uses to which any Unit is restricted, in the absence of the vote or agreement of the Owner of each Unit particularly affected and the Owners of Units to which at least ninety percent of the votes in the Association are allocated other than the Declarant.

15.5 Execution. Amendments to the Declaration to be recorded by the Association shall be prepared, executed, recorded, and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.

15.6 Special Declarant Rights. No amendment may restrict, eliminate, or otherwise modify any Special Declarant Right provided in the Declaration without the consent of the Declarant and any Mortgagee of record with a security interest in the Special Declarant Right or in any real property subject thereto, excluding Mortgagees of Units owned by persons other than the Declarant.

15.7 Declarant Right to Adjust Lots. In addition to any right that the Declarant may have to modify or amend this Declaration as otherwise stated herein, Declarant shall also have the right to adjust property lines among any lots within the Development provided that the lots affected are owned by Declarant at the time of the adjustment.

Article 16

MISCELLANEOUS

16.1 Notices for All Purposes.

16.1.1 Delivery of Notice. Any notice permitted or required to be delivered under the provisions of this Declaration or the Bylaws may be delivered either personally or by mail. If delivery is made by mail, any such notice shall be deemed to have been delivered effective three business days after a copy has been deposited in the United States mail, postage prepaid, for first class mail, addressed to the person entitled to such notice at the most recent address given by such person to the Board, in writing, for the purpose of service of such notice, or to the most recent address known to the Board. Notice to the Owner or Owners of any Unit shall be sufficient if mailed to the Unit of such person or persons if no other mailing address has been given to the Board by any of the persons so entitled. Mailing addresses may be changed from time to time by notice in writing to the Board. Notice to be given to the Board may be given to Declarant until the Board has been constituted and thereafter shall be given to the President or Secretary of the Board.

16.1.2 Mortgagee Notice. Upon written request therefor, and for a period specified in such notice, the Mortgagee of any Unit shall be entitled to be sent a copy of any notice respecting the Unit covered by his security instrument until the request is withdrawn or the security instrument discharged. Such written request may be renewed an unlimited number of times.

16.2 Mortgagee's Acceptance.

16.2.1 Priority of Mortgage. This Declaration shall not initially be binding upon any Mortgagee of record at the time of recording of said Declaration but rather shall be subject and subordinate to said Mortgage.

16.3 Severability. The provisions hereof shall be deemed independent and severable, and the validity or partial invalidity or enforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof.

16.4 Conveyances: Notice Required. The right of a Unit Owner to sell, transfer, or otherwise convey the Unit shall not be subject to any right of approval, disapproval, first refusal, or similar restriction by the Association or the Board, or anyone acting on their behalf. An owner intending to sell a Unit shall deliver a written notice to the Board, at least two (2) weeks before closing, specifying: the Unit to be sold; the name and address of the Purchaser, of the closing agent, and of the title insurance company insuring the Purchaser's Interest; and the estimated closing date. The Board shall have the right to notify the Purchaser, the title insurance company, and the closing agent of the amount of unpaid assessments and charges outstanding against the Unit, whether or not such information is requested. It is understood, however, that a violation of this Section shall not invalidate a sale, transfer or other conveyance of a Unit which is otherwise valid under applicable law.

16.5 Transfer of Declarant's Powers. It is understood that Declarant, at any time in the exercise of its sole discretion, may sell, assign, transfer, encumber, or otherwise convey to any person, upon such terms and conditions as Declarant may determine, all of Declarant's rights, powers, privileges and authority arising hereunder by virtue of Declarant's capacity as Declarant (which rights, powers, privileges and authority are in addition to those arising from Declarant's ownership of one or more Units and include Development Rights and Special Declarant Rights).

16.6 Effective Date. This Declaration shall take effect upon recording.

Article 17

SPECIAL DECLARANT RIGHTS
DEVELOPMENT RIGHTS

17.1 Special Declarant Rights. As more particularly provided in this Article, Declarant, for itself and any successor Declarant, has reserved the following Special Declarant Rights:

17.1.2 Sales Facilities of Declarant. Declarant, its agents, employees and contractors shall be permitted to establish and maintain in any Unit still owned by Declarant such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the construction, sale or rental of Units and appurtenant interests, including but not limited to: business offices; management offices; sales offices; construction offices; storage areas; signs; model units; and parking areas for all agents, employees, contractors, prospective tenants or purchasers of Declarant. Declarant may maintain signs on any part of the Property owned by Declarant advertising the Development. The provisions of this Section are subject to the provisions of other state law and to local ordinances. The number, size, location, and relocation of such facilities shall be determined from time to time by Declarant in the exercise of its sole discretion; provided, that the maintenance and use of such facilities shall not unreasonably interfere with a Unit Owner's use and enjoyment of the Unit and appurtenant Common Elements.

17.1.3 Exercise of Development Rights. Declarant shall have the right to exercise Development Rights, if any, under this Declaration;

17.1.4 Declarant Control. Declarant, or persons designated by Declarant, shall have the right to appoint and remove without cause officers and members of the Board, which right is herein referred to as 'Declarant Control.' A Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board before termination of the period of Declarant Control, but in that event the Declarant may require, for the duration of the period of Declarant Control, that specified actions of the Association or Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they became effective. During the period of Declarant Control, Declarant shall be entitled to receive the sum of Five Hundred Dollars ($500.00) per month for the management of the Association, as an expense of the Association. In addition Declarant may contract at any time during the period of Declarant Control with a third party to provide management services and such contract may extend in duration past the period of Declarant Control.

17.1.5 Termination of Declarant Rights. The foregoing Special Declarant Rights shall continue until the period of Declarant Control has terminated.

DATED this 21st day of May, 2004.

DECLARANT:

Indian Trophy, L.L.C.

By: [signature]
Its: member

STATE OF WASHINGTON)
) ss.
COUNTY OF CLARK)

On this 21 day of May, 2004, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Wayne E. Heikkala, to me personally known (or proven on the basis of satisfactory evidence) to be the member of Indian Trophy, L.L.C., a Washington limited liability company, and executed the within and foregoing instrument, and acknowledged said instrument to be her/his free and voluntary act and deed, as member, for the uses and purposes therein mentioned.

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

PATRICIA E. HUETHER
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES NOVEMBER 4, 2004

[signature] Patricia Huether
NOTARY PUBLIC in and for the State of Washington residing in Vancouver.
My commission expires: 11-4-2004

Exhibit A

Lots 11 through 17 and lots 53 through 57 of The Trophy Tee at Indian Summer Golf & Country Club as recorded October 21, 2003 under Auditor's File No. 3588153, in Thurston County, Washington.

Exhibit B

Twenty-five (25) Units are potentially subject to this Declaration with 12 lots (lots 11-17 and 53-57) immediately subjected (and lots 58-70 reserved by Declarant to be added later). These Units consist of lots 11 through 17 and 53 through 70 of The Trophy Tee at Indian Summer Golf & Country Club as recorded October 21, 2003 under Auditor's File No. 3588153, in Thurston County, Washington.

WHEN RECORDED RETURN TO:

Kirk M. Veis
OWENS DAVIS, P.S.
P.O. Box 187
Olympia, WA 98507

SUPPLEMENTARY DECLARATION AND AMENDMENT OF COVENANT, CONDITIONS & RESTRICTIONS

Grantor	INDIAN TROPHY, LLC, a Washington limited liability company, and PERETTI-RYSER, LLC, a Washington limited liability company.
Grantee	THE PUBLIC
Legal Description (abbreviated)	Lots 11 through 17 and Lots 53 through 70, Indian Summer Golf & Country Club. Additional Legal Description on pages 7 and 8.
Assessor's Tax Parcel I.D. No.	80470001100 through 80470001700, and 80470005300 through 80470007000
Reference Nos. of Related Documents	9307270117, 364 3667

THIS SUPPLEMENTARY DECLARATION AND AMENDMENT OF COVENANTS, CONDITIONS & RESTRICTIONS (the "Supplement") is executed this _____ day of April, 2005, by INDIAN TROPHY, LLC, a Washington limited liability company, ("Original Declarant") and PERETTI-RYSER, LLC, a Washington limited liability company, ("Successor Declarant").

WITNESSETH:

WHEREAS, Successor Declarant has purchased from Original Declarant certain property in the County of Thurston, State of Washington, described on Exhibit A attached hereto and by this reference incorporated herein (the "Property").

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WHEREAS, the Property is subject to certain protective covenants, conditions, restrictions, reservations, liens, and charges as set forth in that certain declaration titled "The Woods" Addendum to Declaration of Covenants, Conditions and Restrictions for the Indian Summer Residential Community, which was recorded on May 24, 2004, under Auditor's File No. 3643667, in Thurston County, Washington (the "Declaration"); and

WHEREAS, Original Declarant is retaining the property described on Exhibit B attached hereto and by this referenced incorporated herein (the "Retained Property"), and the Retained Property is also subject to the Declaration; and

WHEREAS, the Property and the Retained Property comprise all of the property subject to the Declaration, and Original Declarant and Successor Declarant are all of the Owners; and

WHEREAS, Original Declarant and Successor Declarant desire to supplement and amend the Declaration.

NOW, THEREFORE, it is agreed and declared as follows:

1. Succession. Successor Declarant is hereby designated and confirmed as the successor to the Original Declarant with respect to the Property and with all of the rights and duties of the Original Declarant with respect to the Property, subject to the possibility of the reversion of such rights as provided herein. Original Declarant hereby assigns to Successor Declarant all of the Declarant's rights and duties (including those as Special Declarant) as to the Property and the Retained Property, and Successor Declarant hereby accepts such assignment. In the event that Successor Declarant should default in its obligations to Original Declarant with respect to Successor Declarant's purchase of the Property, all rights afforded to the Declarant pursuant to the terms of the Declaration shall immediately vest in the Original Declarant without further action of the parties. Such revesting shall apply to both the Property and the Retained Property. Original Declarant is authorized to record a document that states the default of Successor Declarant, that such default has not been cured within the applicable time period for cure and further states the revesting of authority in Original Declarant without the necessity of Successor Declarant's execution of such document. The revesting of such rights shall not require the completion of the Foreclosure process. In the event that the default is cured prior to the completion of the Foreclosure process, Original Declarant shall promptly record a document that revests the Declarant's rights in Successor Declarant. Upon Successor Declarant having satisfied its obligations to Original Declarant with respect to Successor Declarant's purchase of the Property, Original Declarant shall execute such recordable documents as Successor Declarant may reasonably request to evidence the extinguishment of the possibility of reversion provided herein.

2. Name. The Development shall be known by the name "Kinsale Row." Section 6.1 of the Declaration is hereby amended to provide that the Association shall be known as "Kinsale Row Homeowners Association."

3. Architectural Review Board. Original Declarant and Successor Declarant having agreed that architectural control and review of improvements is sufficiently provided for in the 'Covenants, Conditions and Restrictions for The Indian Summer Residential Community ~~as recorded under Thurston County Auditor's File No. 9307270117 (the "Indian Summer~~ Declaration"), Article 9 ("Architectural Review Board and Use Restrictions") of the Declaration is hereby deleted in its entirety. The following section is added as Section 8.4 of the Declaration:

> 8.4 The Board may condition its approval of any modification to any structure located on any lot which is part of the Property or Retained Property, upon an adjustment in the allocation of Common Expense liability to reflect the change or modification so approved. Any such allocation adjustment shall be recorded by the Board with the county auditor.

4. Insurance. Original Declarant and Successor Declarant having agreed that the Association will not own or have responsibility for any Common Elements, and that each Unit Owner, rather than the Association, will be responsible for property insurance on each such Owner's Unit, Article 11 ("Insurance") is hereby deleted in its entirety. Each Unit Owner shall provide proof of such insurance to the Board upon request. Failure to do so shall permit the Board to place appropriate insurance on the Unit and assess the cost thereof to the Owner.

5. Easements. Article 14 of the Declaration is hereby amended by adding the following Section 14.5:

14.5 Sideyard Easements Pertaining to All Lots. Successor Declarant hereby reserves to itself, its successors and assigns, together with the right to grant and transfer the same to the Owners of the Lots described as "Dominant Tenement" on Exhibit C, sideyard easements as shown on said Exhibit (the "Sideyard Easements"), which easements shall be appurtenant to the Lots described on said Exhibit as a "Dominant Tenement," and which easements shall benefit the Lots described on said Exhibit as a "Servient Tenement." Each Sideyard Easement shall extend over the portion of the Servient Tenement lying between the boundary of the Dominant Tenement and the wall or fence constructed on the Servient Tenement by the Declarant in the construction of the initial improvements upon the Lots as depicted on Exhibit C. Each Sideyard Easement area may be used for the purposes of landscaping, drainage, the establishment of a garden area, and purposes related thereto which would permit planters, patio slabs, and deck flooring but would specifically prohibit any improvements that would require a building permit or approval by the County or City. Each Sideyard Easement shall be conveyed subject to the following provisions:

(i) The Owner of the Dominant Tenement shall not attach any object to a wall or dwelling belonging to the Servient Tenement or disturb the grading of the easement area or otherwise act with respect to the easement area in any manner which would damage the Servient Tenement.

(ii) The Owner of the Servient Tenement shall have the right of surface drainage in, over, across, and upon the easement area for water draining from the Servient Tenement and/or from any dwelling or structure thereon and shall have the further right to concentrate drainage from the Servient Tenement under or through the subsurface of the easement area except that such subterranean drainage shall only be permitted through drainage devices installed by Declarant in the original construction of a Unit, or in the event of any damage or destruction, such drainage devices as repaired or reconstructed.

(iii) The Owner of the Servient Tenement shall have the right at all reasonable times to enter upon the easement area, including the right to cross over the Dominant Tenement for such entry, in order to (1) maintain eaves and appurtenances thereto and the portions of any dwelling structure fronting the easement area as originally constructed or as constructed pursuant to plans approved pursuant to this Declaration and The Indian Summer Declaration except that the owner of the Servient Tenement shall not have the right to modify the structure or the glass of any window constructed and installed by the Declarant (i.e. windows designed to remain closed cannot be modified to permit opening, and clear glass cannot be substituted for opaque glass) or install or construct other windows in any dwelling or structural wall that fronts the easement area, and (2) maintain and repair drainage facilities and systems servicing the Servient Tenement located upon or within the easement area. In exercising such right, the Owner of the Servient Tenement agrees to utilize reasonable care not to damage any landscaping or other items existing in the easement area; provided, however, the Owner of the Servient Tenement shall not be responsible for damage to such landscaping or other items to the extent such damage could not be reasonably avoided in connection with such entry upon the easement area for authorized purposes.

6. Participation by Original Declarant. Notwithstanding the provisions of Article 10 of the Declaration, Original Declarant shall not be assessed, and shall not be required to pay, any assessments for Units owned by Declarant within the Retained Property as of the date of this Supplement. Assessments may be made and required to be paid with respect to each such Unit beginning upon the date the particular Unit is no longer owned by Original Declarant. During Original Declarant's period of ownership, no Unit owned by Original Declarant within the Retained Property shall be entitled to the benefit of any

maintenance obligation to be performed by the Association until such Unit is no longer owned by Original Declarant.

7. Capitalized Terms. Capitalized terms used in this Supplement and not otherwise defined shall have the meaning set forth in the Declaration.

IN WITNESS WHEREOF, this Supplement is executed as of the day and year first written above.

ORIGINAL DECLARANT:

INDIAN TROPHY, LLC
a Washington limited liability company

By: ______________________

Its: Member

SUCCESSOR DECLARANT:

PERETTI-RYSER, LLC
a Washington limited liability company

By: M. R. Ryser

Its: Member

STATE OF WASHINGTON)
: ss.
County of ~~Thurston~~ Clark)

On this day personally appeared before me Wayne E. Heikkala, to me known to be the member of Indian Trophy, LLC, the company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument.

GIVEN under my hand and official seal this 20 day of ~~April~~ July, 2005.

PATRICIA E. HUETHER
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES
NOVEMBER 4, 2008

Patricia Huether
Printed Name: Patricia Huether
Notary Public in and for the State of Washington, residing at Brush Prairie.
Commission Expires: 11-4-2008

FOR RECORDING PURPOSES, DO NOT WRITE, SIGN, STAMP OR AFFIX NOTARY SEAL WITHIN THE ONE INCH TOP, BOTTOM AND SIDE MARGINS OR AFFIX ANY ATTACHMENTS.

\\Dc\4\CORP\Peretti\the woods.CCR2final.doc

STATE OF WASHINGTON)
: ss.
County of Thurston)

On this day personally appeared before me Marvin Ryser, to me known to be the member of Peretti-Ryser, LLC, the company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument.

GIVEN under my hand and official seal this 29th day of April, 2005.

NOTARY PUBLIC
State of Washington
KIRK M. VEIS
Commission Expires JUNE 7, 2008

Kirk M. Veis
Printed Name: Kirk M. Veis
Notary Public in and for the State of Washington, residing at Olympia.
Commission Expires: 6/7/2008

FOR RECORDING PURPOSES, DO NOT WRITE, SIGN, STAMP OR AFFIX NOTARY SEAL WITHIN THE ONE INCH TOP, BOTTOM AND SIDE MARGINS OR AFFIX ANY ATTACHMENTS.

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Lots 13, 14, 15 and 57 through 70 of the Trophy Tee at Indian Summer Golf & Country Club as recorded October 21, 2003 under Auditor's File No. 3588153, in Thurston County, Washington.

EXHIBIT B

LEGAL DESCRIPTION OF
THE RETAINED PROPERTY

Lots 11, 12, 16, 17, 53 and 54 of the Trophy Tee at Indian Summer Golf & Country Club as recorded October 21, 2003 under Auditor's File No. 3588153, in Thurston County, Washington.

EXHIBIT C

SIDEYARD EASEMENTS

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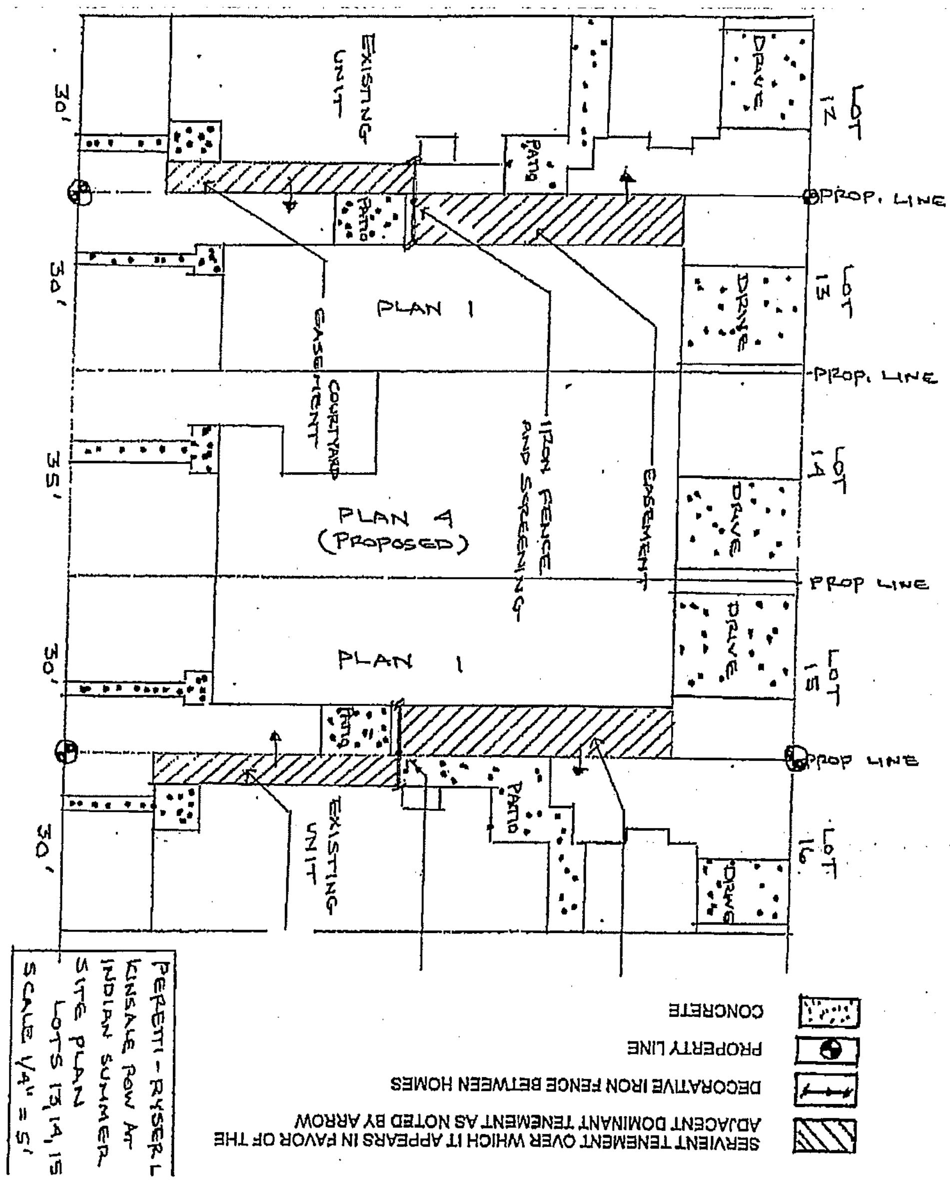

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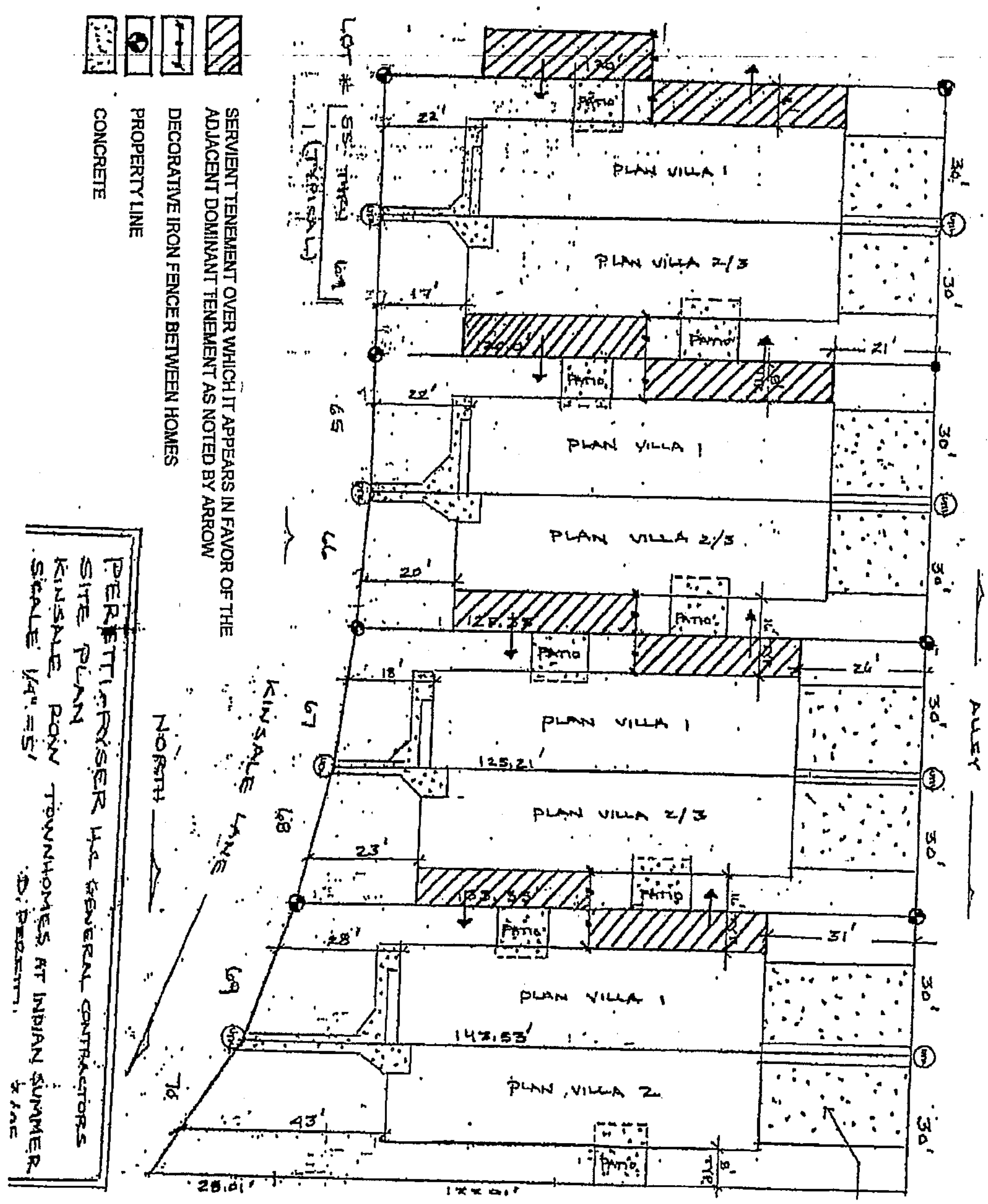

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