



Governing Documents

Articles of Incorporation

By-Laws

Declaration of Restrictive Covenants



Revised 2016 Printing

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GOVERNING DOCUMENTS

Articles of Incorporation

Bylaws

Restrictive Covenants

FOREWORD

This booklet has been revised and reprinted to include changes voted upon by the membership since the last major publication in 1988. The changes made subsequent to the 1988 printing have been published and included in the *Millstream* for attachment to existing booklets.

HISTORY OF LEGAL RECORDING AND FILING

ORIGINAL DOCUMENTS

The original ARTICLES OF INCORPORATION were filed on December 24, 1997 with the Secretary of State, State of Washington under file number 243323.

The original BYLAWS were not required to be filed or recorded.

The original RESTRICTIVE COVENANTS were recorded on April 21, 1975 under Snohomish County, Washington, Auditor's file number 238420 in Volume 857, Pages 619 to 643.

AMENDMENTS

BYLAWS 5.2 revised June 4, 1980. Not filed or recorded.

RESTRICTIVE COVENANTS 4.3.2, 6.3, 6.10 through 6.10.6, 7.1.9, and 8.2.1 revised June 4, 1980. Recorded June 9, 1980, Snohomish County Auditor's File 8006090130, Volume 1671, Page 2462.

RESTRICTIVE COVENANTS 6.6 and 6.8 revised July 15, 1981. Recorded August 12, 1981, Snohomish County Auditor's File number 8108120217, Volume 1719, Page 1825.

ARTICLES OF INCORPORATION 5.1 and 7.1 revised June 1, 1982. Filed September 27, 1982 with Secretary of State under File number 243323.

RESTRICTIVE COVENANTS 4.3.1 and 6.3 revised June 1, 1982. Recorded July 9, 1982, Snohomish County Auditor's File number 8207095009.

ARTICLES OF INCORPORATION 5.1 and 7.1 revised May 11, 1983. Filed May 16, 1983 with Secretary of State under File number 243323.

RESTRICTIVE COVENANTS 4.3.1 revised May 11, 1983. Recorded May 16, 1983, Snohomish County Auditor's File number 8305160277, Volume 1789, Page 836.

BYLAWS 5.5 revised April 18, 1984. Not filed or recorded.

BYLAWS 7.1.1 revised April 25, 1985. Not filed or recorded.

RESTRICTIVE COVENANTS 7.1.3, 7.1.4, 7.1.7, 7.1.8, 7.1.9, 9.1.2, 9.1.3, 9.1.6, 9.1.8, 9.1.9, 9.1.10, 10.1 and 10.2 revised April 25, 1985. Recorded May 1, 1985, Snohomish County Auditor's File number 8505010054, Volume 1897, Page 1066.

ARTICLES OF INCORPORATION Article VIII and 11.2 revised April 17, 1986. Filed April 18, 1986 with Secretary of State under file number 2-243323-9.

BYLAWS 5.1 revised April 17, 1986. Not filed or recorded.

RESTRICTIVE COVENANTS 6.8 and 12.3 revised April 17, 1986. Recorded April 25, 1986, Snohomish County Auditor's File number 8604250170, Volume 1892, Page 1718.

BYLAWS 4.2 revised April 15, 1988. Not filed or recorded.

ARTICLES OF INCORPORATION 5.2 revised March 31, 1992. Filed May 8, 1992 with Secretary of State under file number 2-243323-9.

BYLAWS 5.2 revised March 31, 1992. Not filed or recorded.

RESTRICTIVE COVENANTS 6.2 and 9.1.2 revised September 28, 1994. Recorded October 6, 1995, Snohomish County Auditor's File number 9510060003, Volume 3080, Page 0583.

RESTRICTIVE COVENANTS 7.1.1, 7.1.3, 7.1.4, 7.1.6, 7.1.9, 8.2.2, and 8.3.2 revised September 25, 1996. Article IX, Section 9.1, Paragraph 9.1.6 added September 25, 1996. Recorded March 20, 1997, Snohomish County Auditor's File number 9703200002.

RESTRICTIVE COVENANT 9.1.10 amended September 22, 1999. Recorded June 22, 2001, Snohomish County Auditor's File number 200106220599.

RESTRICTIVE COVENANTS 4.3, 6.1, 6.3, and 6.8 were revised and amended and 6.5 deleted September 25, 2002. Recorded November 27, 2002, Snohomish County Auditor's File number 200211270198.

ARTICLES OF INCORPORATION Article VIII, Article IX, Article X, Article XI were revised and amended September 25, 2002. Filed with the Secretary of State on November 27, 2002

BYLAWS Sections 4.2, 4.3, 4.4, 10.1, 10.2 and Article XII revised and amended September 25, 2002. Not filed or recorded.

ARTICLES OF INCORPORATION Section 5.2, Article VIII, were revised and amended September 24, 2003. Recording number 238420

BYLAWS Section 5.1, 8.1 and 9.1 were revised and amended September 24, 2003. Recording number 238420

RESTRICTIVE COVENANTS Section 5.3.5, 7.1.3, 7.1.4, 8.1, 8.2.1, 8.2.2, 9.1.1, 9.1.6, 9.2, 9.3 were revised and amended September 24, 2003. Recording number 238420

The Sunrise Division was added to the Mill Creek Community Association after a membership vote held at the annual meeting September 28, 2005. The change was recorded on December 21, 2005 under Snohomish County recording number 200512211065 and went into effect January 1, 2006.

The Sweetwater Ranch Division was added to the Mill Creek Community Association after a membership vote held at the annual meeting September 30, 2009. The change was effective January 1, 2010 under Snohomish County Recording number 201104060105.

The Winslow Division was added to the Mill Creek Community Association after a membership vote held at the annual meeting September 28, 2011. The change is effective January 1, 2012.

RESTRICTIVE COVENANTS Section 7.1.10 was added September 25, 2013. Recorded December 18, 2013, Snohomish County Auditor's File number 201312180174, Volume 857, Pages 629 to 643 records of Snohomish County WA.

RESTRICTIVE COVENANTS Article 7.1.4 was revised September 28, 2016. Recorded November 8, 2016 Snohomish County Auditor's File number 201611090145, Vol. 587 Records of Snohomish County WA. The Change will go into effect January 1, 2017.

**ARTICLES OF INCORPORATION
OF
MILL CREEK COMMUNITY ASSOCIATION**

THE UNDERSIGNED, in order to form a nonprofit Corporation under Chapter 24.03 of the Revised Code of Washington, hereby signs and verifies the following Articles of Incorporation:

ARTICLE I
NAME

The name of the Corporation is **MILL CREEK COMMUNITY ASSOCIATION**.

ARTICLE II
DURATION

The duration of the Corporation shall be perpetual.

ARTICLE III
REGISTERED OFFICE AND REGISTERED AGENT

The initial registered office of the Corporation is 218 Third Avenue South, Seattle, Washington 98104, and the initial registered agent at such address is VICTOR KIHARA.

ARTICLE IV
PURPOSES, LIMITATION, AND POWERS

4.1 **PURPOSES:** The purpose or purposes for which the Corporation is organized are:

4.1.1 To promote and enhance the civic, social and recreational interest of those persons who may from time to time be the Owners of real estate in MILL CREEK, a planned community situated in Snohomish County, Washington, insofar as those interests relate to said Ownership; to acquire by gift or purchase or otherwise deal with improvements of every kind whatsoever upon its land; to exercise all powers granted by law to nonprofit Corporations and to do all lawful things and acts for the betterment of its Members and promotion of their interests; to levy assessments and borrow money for the accomplishment of the foregoing purposes. Notwithstanding anything herein to the contrary, the Corporation shall exercise only such powers as are in furtherance of the exempt purposes of organizations set forth in Section 501 (c) (7) of the Internal Revenue Code and its

regulations as the same now exist or as they may be hereafter amended from time to time.

- 4.1.2 To own, purchase, lease or otherwise acquire real estate, to improve, operate and to sell, convey, assign, mortgage or lease any real estate or personal property.
- 4.1.3 To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, deed of trust, pledge or other lien.
- 4.1.4 To enter into, perform and carry out contracts of any kind necessary to, or in connection with, or incidental to, the accomplishment of any one or more of the purposes of the Corporation.
- 4.1.5 To provide for the maintenance, preservation and operation of the Common Properties (as that term is defined in the Declaration) within Mill Creek for the benefit of the residents of such community.
- 4.1.6 To provide, maintain and operate parks, athletic facilities and other recreational facilities, which will be of benefit to the residents of such community.

The foregoing clauses shall be construed both as objects and powers. The foregoing enumeration of specific powers shall not be deemed to limit or restrict in any manner the general powers of the Corporation and the enjoyment and exercise thereof as conferred by the laws of the State of Washington now or hereafter in effect.

4.2 LIMITATIONS:

- 4.2.1 The Corporation shall have no capital stock, and no part of its net earnings shall inure to the benefit of any Director, Officer or Member of the Corporation, or any private individual.
- 4.2.2 No Member, Director or Officer of the Corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets upon dissolution of the Corporation, or the winding up of its affairs. Upon such dissolution or winding up, all the remaining assets of the Corporation shall be distributed by the Board of Directors for identical uses and purposes to any other organization which would then qualify for exemption under the provisions of Section 501 (c) (7) of the Internal Revenue Code as now stated, or as it may be hereafter amended.
- 4.2.3 No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation and the Corporation shall not participate in, or intervene in (including the

publication or distribution of statements), any political campaign on behalf of any candidate for public office.

4.2.4 Notwithstanding any other provision of these Articles, the Corporation shall not conduct or carry on activities not permitted to be conducted or carried on by an organization exempt under Section 501 (c) (7) of the Internal Revenue Code as now stated, or as it may be hereafter amended, or by organization contributions to which are deductible under Section 170 (c) (2) of such Code as now stated, or as it may be hereafter amended.

4.3 POWERS: In general, and subject to such limitations and conditions as are or may be prescribed by law, or in the Corporation's Articles of Incorporation or Bylaws, the Corporation shall have all powers which now or are hereafter conferred by law upon a Corporation organized for the purpose herein above set forth, or necessary or incidental to the powers so conferred, or conducive to the attainment of the purpose of the Corporation.

ARTICLE V DIRECTORS

5.1 NUMBER OF DIRECTORS: The management of the Corporation will be vested in a Board of seven Directors. The number, qualifications, term of office, manner of election, time and place of meeting and powers and duties of the Directors shall be such as are prescribed by the Bylaws of the Corporation subject to the provisions of Article VI hereof.

5.2 INITIAL DIRECTORS: The names and addresses of the Directors who will first manage the affairs of the Corporation until the first Annual Meeting of the Membership, as provided in the Bylaws, and until their successors are elected and qualified, are:

VICTOR KIHARA	218 Third Avenue South Seattle, Washington 98104
PETER VAN GIESEN	218 Third Avenue South Seattle, Washington 98104
W.F. INGRAM	416 First National Bank Bldg. Everett, Washington 98201
DOUGLAS L. BELL	416 First National Bank Bldg. Everett, Washington 98201
DAVID MILLARD	2750 Northup Way Bellevue, Washington 98004

Directors must be Members of the Corporation. At the 1991 Annual Meeting, the Members shall elect two Directors for a term of three years and three Directors for a term of two years. The five Directors elected shall serve with the two incumbent Board Members whose terms expire in 1992. Of the candidates elected to the Board at the 1991 Annual Meeting, those two candidates receiving the greatest number of votes shall be elected to three-year terms. Commencing at the 1992 Annual Meeting and thereafter, all open seats on the Board of Directors shall be filled for two-year terms. The intent of this provision is to provide for staggered two-year terms with a complete turnover of the Board possible once every two years and to limit turnover to no more than four Members at any time. Nothing herein shall prohibit Board Members from serving consecutive terms of office on the Board.

Directors may be removed from office by majority vote of the Members voting in person or by proxy at a meeting called for the purpose of considering such removal.

ARTICLE VI MEMBERSHIP

Members of the Corporation shall be every Owner of a fee or an undivided fee interest in any Building Site or Living Unit (as those terms are defined in the Declaration) subject by covenant of record to assessments by the Corporation and every person who holds a contract purchaser's interest of record in a Building Site or Living Unit. There shall be no other qualification for membership except as set forth above. Membership shall terminate on transfer of a fee simple title by an Owner or the contract purchaser's interest by the contract purchaser who qualifies as a Member. If an Owner sells a Building Site or Living Unit by contract of sale, upon recordation thereof, the Owner's membership shall terminate and the contract purchaser's membership shall commence.

The Board of Directors of the Corporation may establish by resolution a classification of associate membership which shall be applicable to residents of the Mill Creek community who are not eligible as Members, and to tenants of Members of the Corporation. Associate Members shall have no voting rights.

ARTICLE VII VOTING RIGHTS

- 7.1 Members will be entitled to one vote for each Building Site or Living Unit in which they hold the interest required for membership by Article VI. If more than one person holds such interest or interests, all such persons shall be Members, but the vote for such Building Site or Living Unit shall be exercised as the persons holding such interest shall determine between themselves, provided that in no event shall more than one vote be cast with respect to any such Building Site or Living Unit.

ARTICLE VIII
AUTHORITY TO DEDICATE

The Corporation shall have the power to dedicate, sell or transfer all or any part of the Common Properties to any municipal corporation, public agency, authority or utility for such purpose and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless it is referred to the general membership for a vote. Such referral must be approved by a vote of not less than two-thirds of the Board of Directors of the Association. Approval by the general membership shall require the assent of two-thirds of the vote of Members who are voting in person or by proxy at an Annual or Special Meeting duly called for such purposes. Notwithstanding the above, the Board shall have the authority without a vote of the Members to grant easements and licenses in and to the Common Properties for the installation, repair and maintenance of utilities (including water, sewer, power, telephone, cable, cellular communications).

The Corporation shall have the power to exchange any part of the Common Properties for a like amount of Property contiguous to such Common Property, provided that the Board of Directors of the Corporation by unanimous vote of all the Members of the Board of Directors then in office finds: (a) that such an exchange will be beneficial to the Corporation, and (b) that the value of the Property exchanged is at least equal to the value of the Common Properties involved in the exchange.

ARTICLE IX
MERGERS AND CONSOLIDATIONS

Subject to the provisions of the Declaration and to the extent permitted by law, the Corporation may merge or consolidate with other nonprofit corporations organized for the same purposes, provided that such merger or consolidation shall have the assent of two-thirds of the vote of Members who are voting in person or by proxy at a meeting duly called for such purpose.

ARTICLE X
DISSOLUTION

The Corporation may be dissolved only upon the vote to such effect of not less than two-thirds of all the Members entitled to vote. Such vote may be in person or by proxy at a meeting duly called for such purpose.

Upon dissolution of the Corporation, the assets, both real and personal, of the Corporation shall be dedicated to an appropriate municipal corporation or other public agency to be devoted to purposes as nearly as practical the same as those to which they were required to be devoted by the Corporation. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to the purposes and uses to which they were required to be devoted by the Corporation, provided nothing contained herein shall prevent the transfer of the

Corporation's assets, both real and personal, upon dissolution to an appropriate municipal corporation or other public agency so long as such assets when so transferred shall be dedicated and devoted to purposes as nearly as practicable to those purposes to which they were required to be devoted by the Corporation.

ARTICLE XI
AMENDMENTS

- 11.1 ARTICLES OF INCORPORATION: Amendment of these articles shall require the assent of two-thirds of the votes of Members who are voting in person or by proxy at a meeting called to consider such amendment. However, the voting requirements specified for any action under any provision of these articles shall be only amended in accordance with the voting requirements thus specified.
- 11.2 BYLAWS: The Bylaws may be amended at a regular or special meeting of the Members provided that such amendment shall have the assent of two-thirds of the votes of Members who are voting in person or by proxy at such meeting and that notice of the amendment had been included in notice of the meeting.

ARTICLE XII
INCORPORATOR

The name and address of the incorporator is VICTOR KIHARA, 218 Third Avenue South, Seattle, Washington 98104.

IN WITNESS WHEREOF, the incorporator herein above named has hereunto set his hand in triplicate this 17th day of December 1974.

VICTOR KIHARA

**BYLAWS
OF
MILL CREEK COMMUNITY ASSOCIATION**

**ARTICLE I
DEFINITIONS**

The following terms when used herein shall have the following meanings unless a different meaning is plainly required by the context.

- 1.1 ASSOCIATION shall mean **Mill Creek Community Association**, its successors and assigns.
- 1.2 COMMON PROPERTIES shall mean land and/or facilities, which the Association owns and/or maintains.
- 1.3 DECLARATION shall mean the Mill Creek Declaration of Restrictive Covenants applicable to the Properties.
- 1.4 PROPERTIES shall mean all the Property described in the Mill Creek Declaration of Restrictive Covenants recorded with the office of the Snohomish County Auditor, Snohomish County, Washington.

**ARTICLE II
LOCATION**

The principal office of the Association shall be located at: 15714 Country Club Drive, Mill Creek, Washington 98012.

**ARTICLE III
MEMBERSHIP**

- 3.1 ELIGIBILITY: Eligibility for membership is set forth in Article VI of the Articles of Incorporation.
- 3.2 RIGHTS OF ENJOYMENT: Each Member shall be entitled to use and enjoyment of the Common Properties and other facilities provided by the Association. Any Member may delegate his rights of enjoyment of the Common Properties and other facilities to the Members of his family and his tenants who reside in the Mill Creek Development. The Board of Directors shall determine the proceeding for notification of the Association of the names of persons to whom such rights have been delegated. In the event that any assessment of Property on which a Member

resides is delinquent, the Board of Directors may suspend the right of the Member, members of his family and tenants to the use of the Common Properties and recreational facilities of the Association until such assessment has been paid. Such rights of a Member, members of his family and tenants may also be suspended after notice and hearing for a period not to exceed thirty days for violation of any rules and regulations established by the Board of Directors concerning the use of the Common Properties and Facilities furnished by the Association.

- 3.3 VOTING RIGHTS: Voting rights of Members are set forth in Article VII of the Articles of Incorporation.
- 3.4 ASSOCIATE MEMBER: The Board of Directors may establish a classification of Associate Members by appropriate resolution as set forth in the Articles of Incorporation and may determine the qualifications and rights of Associate Members.

ARTICLE IV MEETINGS OF MEMBERS

- 4.1 ANNUAL MEETING: There shall be an Annual Meeting of the Members for the election of Directors and for the transaction of any other business as may properly come before the meeting in the first quarter of each calendar year, or such other fiscal year as may be designated by the Board of Directors. All meetings of the Members shall be held in Seattle, Washington or at any other reasonable place in King County or Snohomish County, Washington, set by the Board of Directors. The date, time, and place for the Annual Meeting shall be set by the Board of Directors and designated by written notice delivered to the Members in the manner provided in Section 4.3 of the Bylaws.
- 4.2 SPECIAL MEETINGS: Special meetings of Members may be called at any time by majority vote of the Board of Directors or upon written request of 25% of all Members entitled to vote.
- 4.3 NOTICE: Notice of all meetings of Members shall be mailed by or at the direction of the Secretary to each Member, postage prepaid, at the address thereof as shall appear in the records of the Association or supplied by such Member to the Association for the purpose of notice. Such notice shall be so mailed not less than fourteen days or more than sixty days with respect to any meeting called to consider any of the following matters:

Additions to the Properties;

Dedication, sale or transfer of any part of the Common Properties;

Merger or consolidation;

Mortgage of any part of the Common Properties;

Dissolution of the Association; and

Levy of special assessment for capital improvements or change in maximum annual assessment.

The notice of the meeting shall specify the place, day and hour of the meeting and in the case of a special meeting, the purpose of the meeting.

- 4.4 **QUORUM:** Except as hereinbefore and as hereinafter provided, the presence at any meeting in person or by proxy of Members entitled to cast one-tenth of the votes of the Membership shall constitute a quorum for any action. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereon shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as set forth above shall be present or be represented. The vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the Members unless a greater proportion is required by the Declaration, the Articles of Incorporation, or the Bylaws.
- 4.5 **PROXIES:** A Member may vote in person or by proxy executed in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically terminate upon termination of Membership.

ARTICLE V BOARD OF DIRECTORS

- 5.1 **NUMBER:** The affairs of this Association shall be managed by a Board of seven Directors. Each Director must be a Member of the Corporation.
- 5.2 **TERM:** Directors shall serve for staggered two year terms with the terms of three Directors commencing in odd numbered years and the terms of four Directors commencing in even numbered years; provided, however, that for the purpose of establishing such a schedule and adjusting the terms of the Directors to coincide with a change by the Board of Directors of the fiscal year of the Association to end of June 30th beginning in 1993, the terms of all of the current Directors shall be extended by approximately six (6) months, so that: the terms of the three (3) Directors which would otherwise expire at the Annual Meeting of the Association

in March, 1993 shall expire at the Annual Meeting in the third quarter of calendar 1993; the terms of the four (4) Directors which would otherwise expire at the Annual Meeting of the Association in March 1994 shall expire at the Annual Meeting in the third quarter of calendar 1994.

- 5.3 VACANCIES: In the event of death, resignation or removal of a Director, the successor shall be selected by a majority vote of the remaining Directors. A Director elected to fill a vacancy shall hold office during the remainder of the term of the Director succeeded.
- 5.4 COMPENSATION: No Director shall receive compensation for any service he may render to the Association as a Director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties as a Director and may receive compensation for service to the Association in other capacities than as a Director.
- 5.5 NOMINATION OF DIRECTORS: Nomination for election to the Board of Directors shall be made by a Nominating Committee appointed by the President and consisting of a chairman who shall be a Member of the Board of Directors and two or more Members of the Association. The Nominating Committee shall make as many nominations as it shall in its discretion determine but not less than the number of vacancies that are to be filled at such Annual Meeting. The report of the Nominating Committee shall be included in the notice of the Annual Meeting. Nominations may also be made from the floor at the Annual Meeting. No Member may be considered as a nominee for a position on the Board of Directors of Mill Creek Community Association while he or she is holding an elective office in the City of Mill Creek.
- 5.6 MANNER OF ELECTION: In any case where the number of nominations for the Board of Directors exceeds the number of vacancies, election shall be by secret written ballot. At each election the Members or their proxies may cast in respect to each vacancy as many votes as they are entitled to vote by the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI MEETINGS OF THE BOARD OF DIRECTORS

- 6.1 REGULAR MEETING: Within ten days after each Annual Meeting of Members, the Directors elected at such meeting and those holding over shall hold an organizational meeting for the purpose of electing Officers as hereinafter provided and for transaction of such other business as may come before the meeting. If all Directors are present at the time and place of such meeting, no prior notice of such meeting shall be required to be given to the Directors.

The Board of Directors by resolution may establish the date, time and place for other regular meetings of the Board.

- 6.2 SPECIAL MEETINGS: Special meetings may be called by the President and must be called by the President at the request of at least two Directors. Such special meeting may be held at such time and place as the Board of Directors or the President shall determine and any business may be transacted at such meeting.
- 6.3 NOTICES: No notice need be given of regular meetings held pursuant to resolution of the Board of Directors as hereinabove specified. Notice of special meetings shall be given at least three days prior to the date of such meeting either personally, by mail, telephone or telegraph. Attendance at a meeting shall constitute a waiver of notice thereof.
- 6.4 QUORUM: A majority of the Directors shall constitute a quorum but no action of the Board of Directors shall be valid unless it is approved by an affirmative vote of at least three Directors.
- 6.5 ACTION WITHOUT A MEETING: Directors may take any action in the absence of a meeting, which they could take at a meeting by obtaining the written approval of all of the Directors to such action. Any action taken shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

- 7.1 GENERAL POWERS: The Board of Directors shall have power to:
 - 7.1.1 Adopt and publish rules and regulations governing the use of the Common Properties and Facilities provided by the Association, and the personal conduct of Members and their guests thereon, and to establish penalties for the infraction thereof and for violations of the Declaration.
 - 7.1.2 Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration.
 - 7.1.3 Lease or otherwise acquire the use of any and all kinds of recreational and athletic facilities for the use and benefit of the Members of the Association and to enter into management contracts for the management of such Facilities.

- 7.1.4 Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent without excuse from three consecutive regular meetings of the Board of Directors.
- 7.1.5 To employ a manager and other employees and officials, prescribe their duties and fix their compensation.
- 7.2 DUTIES OF THE BOARD OF DIRECTORS: It shall be the duty of the Board of Directors to:
 - 7.2.1 Cause to be kept a complete record of all of its acts and the proceedings of its meetings and to cause to be presented at the Annual Meeting of the Members a report reviewing the business and affairs of the Association for the year.
 - 7.2.2 As more fully provided in the Declaration, to fix the amount of the annual assessment against each Building Site or Living Unit (as those terms are defined in the Declaration) and give the Owner subject thereto written notice of such assessment at least thirty days prior to the due date thereof, and to cause to be prepared a roster of Property subject to assessment with assessments applicable to each such Property and to keep such roster in the Association office subject to inspection by any Member.
 - 7.2.3 Procure and maintain adequate liability and hazard insurance on Property owned, leased or otherwise used by the Association.
 - 7.2.4 Cause all Officers or employees having fiscal responsibilities to be bonded with sufficient surety for the faithful performance of their official duties, the premium on such bond to be paid by the Association.
 - 7.2.5 Cause the Common Properties to be maintained.

ARTICLE VIII
COMMITTEES

- 8.1 ARCHITECTURAL CONTROL COMMITTEE: The Board of Directors shall appoint an Architectural Control Committee of three (3) or more Members of the Association. The Committee shall act for the Board of Directors to the extent set forth in the Declaration.
- 8.2 OTHER COMMITTEES: The Board of Directors may appoint such other committees as it, in its discretion, deems necessary to assist in the operation of the affairs of the Association including without limitation a Recreation Committee, a Maintenance Committee, a Publicity Committee and an Audit Committee. Committee members need not be members of the Board of Directors.

ARTICLE IX
OFFICERS

- 9.1 OFFICERS: The Officers of this Association shall be a President, Vice President, Secretary and Treasurer. Each officer shall be a Member of the Board of Directors. The Board of Directors may appoint an Assistant Secretary or an Assistant Treasurer by resolution entered on its minutes. The Officers shall be elected at the organizational meeting of the Board of Directors each year and the term of office shall be for a period of one year and until their successors are elected and assume office, unless such Officer resigns or is removed.
- 9.2 REMOVAL, RESIGNATION AND VACANCIES: Any Officer may be removed from office with or without cause by the Board. A vacancy in any Office may be filled in the manner prescribed for regular election. The Officer elected to such vacancy shall serve for the remainder of the term of the Officer he replaces.
- 9.3 PRESIDENT: The President shall preside at all meetings of the Members of the Association and of the Board of Directors. He shall sign for the Association such contracts and other documents as he may be authorized by the Board of Directors to sign and shall perform all acts and duties usually performed by a President or as prescribed by the Board of Directors.
- 9.4 VICE PRESIDENT: In the absence or disability of the President, the Vice President shall preside and perform the duties of the President. He shall also perform such other duties as may be delegated to him by the Board of Directors.
- 9.5 SECRETARY: The Secretary shall keep or cause to be kept a complete record of all meetings of the Association and of the Board of Directors; serve notice of the meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; perform such duties as he is required to perform in connection with assessments; and shall perform such other duties as may be required by the Board. The Assistant Secretary may be authorized by the Board of Directors to perform the duties of the Secretary.
- 9.6 TREASURER: The Treasurer shall keep such records, make such reports and perform such other duties as may be required from time to time by the Board of Directors.
- 9.7 DELEGATION AND CHANGE OF DUTIES: In the event of absence or disability of any Officer, the Board of Directors may delegate during such absence or disability the powers or duties of such Officer to any other Officer or any Director.

ARTICLE X
ASSESSMENTS

10.1 BASIS AND DETERMINATION

The basis for determining annual assessments on Building Sites and Living Units is set forth and established in the Declaration. The Board of Directors shall determine the assessments for Living Units, structures composed of Leased Living Units (as defined in the Declaration) and condominium developments in accordance with the requirements and limitations prescribed in Article VI of the Declaration. Special assessments for capital improvements may likewise be established by vote of the Membership, subject to Board approval, as set forth in the Declaration.

- 10.2 CERTIFICATES WITH RESPECT TO ASSESSMENT: The Secretary of the Association shall cause to be filed in the office of the Snohomish County Auditor within ninety days after a delinquency with respect to an assessment, a statement of the amount of the delinquent assessment together with any interest, late charges and recording costs, and upon payment in full thereof shall execute and file a proper release of such lien.

ARTICLE XI
BOOKS, RECORDS, SEAL, AUDIT

- 11.1 INSPECTION BY MEMBERS: The books, records, and papers of the Association shall at all times during reasonable business hours be subject to inspection by any Members at the office of the Association.
- 11.2 CORPORATE SEAL: The corporate seal of the Association shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation and the year of incorporation.
- 11.3 AUDIT: An annual audit shall be made by a Certified Public Accountant previous to the date of each Annual Meeting, at which meeting such report shall be presented. A special audit shall be made at any time upon the order of the Board of Directors or upon a majority vote of the Members at any regular or special meeting.
- 11.4 EXECUTION OF CORPORATE DOCUMENTS: When the execution of any instrument has been authorized by the Board of Directors without specifying the executing Officer, such instrument may be executed by any two of the following Officers: the President, Vice President, Secretary, Treasurer or Assistant Secretary. The Board of Directors may, however, authorize any one of such Officers to sign any of such instruments for and on behalf of the Association and

may designate officials or employees of the Association other than those named above who may sign such instrument.

ARTICLE XII AMENDMENTS

These Bylaws may be amended at a regular or special meeting of the Members provided that such amendment shall have the assent of two-thirds of the votes of Members who are voting in person or by proxy at such meeting and that notice of the amendment had been included in notice of the meeting. Any matter stated in these Bylaws to be or which is in fact governed by the Declaration may not be amended except as provided in such Declaration. In the case of any conflict between such Declaration and these Bylaws, the provisions of the Declaration shall control.

**DECLARATION OF RESTRICTIVE COVENANTS
OF
MILL CREEK COMMUNITY ASSOCIATION**

THIS DECLARATION made this 21st day of April 1975, by UNITED DEVELOPMENT CORPORATION, hereinafter called the DECLARANT, provides as follows:

**ARTICLE I
PURPOSE**

- 1.1 DECLARANT is the Owner of certain real Property in the County of Snohomish, State of Washington, known as MILL CREEK-1, such plat being recorded in the office of the Snohomish County Auditor, Snohomish County, Washington and is desirous of subjecting the real Property described in said plat and any other Property as provided for in section 3.2 below, to the restrictions, covenants, reservations, easements and charges hereinafter set forth, each and all of which is and are for the benefit of said Property and for each Owner thereof, and shall inure to the benefit of and pass with said Property and each and every parcel thereof and shall apply to and bind the successors in interest and any Owner thereof. These easements, restrictions, covenants and conditions are intended to protect the value and desirability of the aforesaid real Property.
- 1.2 UNITED DEVELOPMENT CORPORATION hereby declares that the real Property described in said plat and any other Property as provided for in Section 3.2 below, is and shall be held, transferred, sold and conveyed subject to the conditions, restrictions, covenants, reservations, easements and charges hereinafter set forth. The entire area shown on the above referenced plat or any subsequent plats filed pursuant to this Declaration, shall be subject to the following restrictive covenants and restrictions hereinafter referred to as Mill Creek Restrictive Covenants.

**ARTICLE II
DEFINITIONS**

The following words when used in this Declaration or any supplemental Declaration, unless the context shall prohibit, shall have the following meanings:

- 2.1 ASSOCIATION shall mean the **Mill Creek Community Association**, a Washington non-profit Corporation.

- 2.2 “BOARD” shall mean the Board of Directors of **Mill Creek Community Association**.
- 2.3 “BUILDING SITE” shall mean any Lot or portion thereof, or any two or more contiguous Lots, or a parcel of land of record in a single Ownership and upon which a structure may be erected in conformance with the requirements of this Declaration.
- 2.4 “BYLAWS” shall mean the Bylaws of the Association.
- 2.5 “COMMITTEE” shall mean the Architectural Control Committee.
- 2.6 “COMMON PROPERTY” shall mean land and/or Facilities, which the Association owns and/or maintains.
- 2.7 “DECLARANT” shall mean UNITED DEVELOPMENT CORPORATION, a Washington Corporation, its successor and assigns.
- 2.8 “DECLARATION” shall mean this Mill Creek Restrictive Covenants dated the 21st day of April 1975 as the same may be supplemented or amended from time to time.
- 2.9 “DEVELOPMENT” shall mean all Property included in any plat which is subject to this Declaration or which is made subject to this Declaration by specific reference.
- 2.10 “FACILITY” shall include playground equipment; trail system, not accepted by the County of Snohomish as sidewalks; street furniture; and all other common buildings, appurtenances or land improvements for common use by Mill Creek residents or the general public.
- 2.11 “LEASED LIVING UNIT” shall mean an apartment consisting of one or more rooms intended for use and occupancy by a tenant of the Owner.
- 2.12 “LIVING UNIT” shall mean any structure or portion of a structure situated upon the Properties designed and intended for use, occupancy and Ownership as a residence by a single family.
- 2.13 “OWNER” shall mean the record Owner, whether one or more persons or entities, of fee simple title to any Building Site or Living Unit situated upon the Properties, but shall not mean a mortgagee nor a condominium association owning record title to a tract of land on which is located a condominium development.
- 2.14 “PROPERTIES” shall mean all the Property herein above described and all Property included in subsequent plats or conveyances by specific reference and

additions thereto subject to this Declaration or any supplemental Declaration under the provisions of Article III hereof.

ARTICLE III
PROPERTY SUBJECT TO THIS DECLARATION

- 3.1 **PROPERTY DESCRIPTION:** The real Property which is and shall be held and conveyed, transferred and sold subject to the conditions, restrictions, covenants, reservations, easements and charges with respect to the various portions thereof set forth in the various clauses and subdivisions of this Declaration is located in the County of Snohomish, State of Washington, and is more particularly described in Article I above. No Property other than that described above shall be deemed subject to this Declaration unless and until specifically made subject thereto.
- 3.2 **ADDITION PROCEDURES:** The Declarant may, from time to time, subject additional real Property to the conditions, restrictions, covenants, reservations and charges herein set forth by appropriate reference hereto. Declarant shall effect such addition by recording a plat of the real Property to be added or by Deed or conveyance containing appropriate dedication language and refer to this Declaration, and by:
- 3.2.1 Describing the real Property being added and designate the permissible uses thereof.
- 3.2.2 Setting forth any new or supplemental restrictions or covenants which may be applicable to such added Property, including limited or restrictive uses of common areas. Such supplemental Declaration may contain such additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added Properties. In no event, however, shall such supplemental Declaration revoke, modify or add to the covenants established by this Declaration with respect to the specific real Property already subject to this Declaration.
- 3.2.3 Declaring that such added Property is held and shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to the provisions of this Declaration. Upon the recording of such plat or conveyance, the added area shall become a part of the development and shall be deemed a part or portion of the Properties.

ARTICLE IV
MILL CREEK COMMUNITY ASSOCIATION

- 4.1 **GENERAL:** The Association is a Washington non-profit Corporation organized to further and promote the common interests of Property Owners in the development. The Association shall have such powers in the furtherance of its purposes as are set forth in its Articles and Bylaws.

The Association shall operate and maintain at its cost in neat and good order, and for the use and benefit of the Owners of the Property in the development, all land and/or facilities from time to time designated, transferred or conveyed by the Declarant to the Association. Further, the Association shall maintain at its cost in neat and good order the planting medians within the public right of way after said medians have been landscaped and planted by the Declarant in accordance with improvement plans on file with the Snohomish County Engineer.

When the Declarant conveys Common Properties to the Association, such conveyance shall be by an appropriate Deed, transferring marketable title. The Association shall pay the established monthly street light fee to the Public Utility District of Snohomish County. Such fees are established by the Public Utility District Commissioners and include repair, replacement, operation, maintenance and energy costs. The Association shall be responsible for the monthly fee until such fees are assumed by any municipal corporation or other public agency.

- 4.2 **MEMBERSHIP:** Members of the Association shall be every Owner of a fee or undivided fee interest in any Building Site or Living Unit who is subject by covenants of records to assessment by the Association and every person who holds a contract purchaser's interest of record in a Building Site or Living Unit. There shall be no other qualification for membership except as set forth above. Membership shall terminate on transfer of fee simple title by an Owner or the contract purchaser's interest by a contract purchaser who qualified as a Member. If an Owner sells a Building Site or Living Unit by contract of sale, upon recordation thereof the Owner's membership shall terminate and the contract purchaser's membership shall commence.
- 4.3 **VOTING RIGHTS:** Members will be entitled to one vote for each Building Site or Living Unit in which they hold the interest required for membership by Section 4.2 above; provided, however with respect to Living Units which are part of a townhouse, row house or cluster-type apartment or condominium development, voting rights shall be commensurate with participation in assessments as hereinafter provided in Section 6.3 below. If more than one person holds such interest or interests, all such persons shall be Members, but the vote for such Building Site or Living Unit shall be exercised as the persons holding such interests shall determine between themselves provided that in no event shall more than one vote be cast with respect to any such Building Site or Living Unit.

ARTICLE V
PROPERTY RIGHTS IN THE COMMON PROPERTIES

- 5.1 MEMBER'S EASEMENT OF ENJOYMENT: Subject to the provisions of Section 5.3 of this Article, every Member shall have a right of easement and enjoyment in and to the Common Properties, and such easement shall be appurtenant to and shall pass with the title to every Lot or Living Unit and upon recordation of a Contract of Sale of any Lot or Living Unit.
- 5.2 TITLE TO COMMON PROPERTIES: The Declarant may retain legal title to the Common Properties until such time as it has completed improvements thereon and until such time as in its opinion the Association is able to maintain the same. Notwithstanding the foregoing, the Declarant shall convey the Common Properties to the Association free and clear of all liens and encumbrances not later than December 31, 1999. The Declarant if directed by the Association pursuant to the same vote of Membership required for dedication of the Common Properties, may convey the Common Properties to a municipal corporation, public agency or authority rather than convey such Common Properties to the Association.
- 5.3 EXTENT OF MEMBERS' EASEMENTS: The rights and easements of enjoyment created hereby shall be subject to the following:
- 5.3.1 The right of the Association to limit the number of guests of Members.
- 5.3.2 The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated on the Common Properties.
- 5.3.3 The right of the Association to suspend the enjoyment rights of any Member for any period during which any assessment remains unpaid and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations.
- 5.3.4 The right of the Declarant and the Association in accordance with its Articles and Bylaws to mortgage said Property as security for any loan, the purpose of which is improvement of the Common Properties. In the event of a default upon any such mortgage, the lender's rights hereunder shall be limited to a right, after taking possession of such Properties, to charge admission and other fees as a condition of continued enjoyment by the Members, and if necessary, to open the enjoyment of such Property to a wider public until the mortgage debt is satisfied, whereupon the possession of such Property shall be returned to the Association and all rights of the Members hereunder shall be fully restored.
- 5.3.5 The right of the Association to dedicate or transfer all or any part of the Common Properties to any municipal corporation, public agency or authority for such uses and purposes and subject to such conditions as may

be agreed to by the Members. No such dedication or transfer, however, shall be effective except pursuant to a vote of the Members as provided by the Articles of Incorporation. Notwithstanding the above, the Board shall have the authority without a vote of the Members to grant easements and licenses in and to the Common Properties for the installation, repair and maintenance of utilities (including water, sewer, power, telephone, cable, cellular communications).

- 5.4 DELEGATION OF USE: Any Member may delegate in accordance with the Bylaws, his rights of enjoyment to the Common Properties to the Members of his family and his tenants.

ARTICLE VI COVENANT FOR MAINTENANCE ASSESSMENT

- 6.1 CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENT: Declarant, for each Lot and Living Unit within the Properties, hereby declares that each Owner of any Building Site or Living Unit by Acceptance of the Deed or other conveyance, shall be deemed to covenant and agree to pay the Association annual assessments and special assessments for capital improvements. Such assessments shall be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with any interest, late charges and costs of collection as hereinafter provided shall be a continuing lien to the title of the Property against which such assessment is charged. The annual and special assessments, together with any interest, late charges and costs of collection shall also be a personal obligation of the person who is the Owner of such Property at the time the assessment fell due. Such personal obligation shall not pass to his successors in title unless expressly assumed by them.
- 6.2 PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, enjoyment and welfare of the residents in the Properties and in particular, for the improvement and maintenance of Property, services and Facilities devoted to the purpose and related to the use and enjoyment of the Common Properties and of the homes situated upon the Properties. Without limiting the generality of the foregoing, assessments may be used to lease facilities for the use of residents in the Properties.
- 6.3 BASIS OF ANNUAL ASSESMENT
- 6.3.1 It shall be the duty of the Board of Directors to prepare and adopt a budget estimating the expected revenues and expenses for the next year. Provisions shall be made for operations, planned capital reserves and

emergency reserves. The budget shall be reviewed by an independent Certified Public Accountant and approved as a reasonable projection of anticipated revenues and expenses for the next year. The budget amount shall be divided among the Members of the Association to establish the Member's assessment share for the next year.

6.3.2 Within thirty days after adoption of the budget by the Board of Directors, the Board of Directors shall set a date for a meeting of the Owners to consider ratification of the budget. The meeting shall occur between fourteen (14) and sixty (60) days after mailing of the budget or a budget summary to the Members. The budget is ratified unless, at that meeting, a majority of the Members in person or by proxy rejects the budget, regardless of whether 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 Members shall be continued until such time as the Members ratify a subsequent budget proposed by the Board of Directors.

6.3.3 Following budget ratification, the Board of Directors shall levy an assessment against each single family dwelling, town house, vacant Lot, condominium unit and leased or rented dwelling space at such ratios as determined by the Board according to services, amenities and costs incurred by the Association with respect to each type of dwelling unit. No dwelling unit shall be assessed at a rate less than fifty percent (50%) of that which a single-family detached dwelling is assessed.

6.4 **SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS:** Upon vote of the Members of the Association in the manner hereinafter set forth, the Association may levy in addition to annual assessments a special assessment in any calendar year applicable to that year only, for the purpose of defraying in whole or in part the cost of construction or reconstruction or expected repair or replacement of a described capital improvement upon the Common Properties, including necessary fixtures and personal property related thereto. The assessment ratio for any Living Unit or structure as determined pursuant to Section 6.3 shall be applicable to special assessments.

6.5 **VOTING AND NOTICE'S FOR SPECIAL ASSESMENT AND CHANGE OF MAXIMUM ASSESSMENT** is deleted.

6.6 **DATE OF COMMENCEMENT OF ANNUAL ASSESSMENT:** The initial annual assessments shall commence on the first day of such month as determined by the Board of Directors of the Association, and shall be due and payable on the date fixed by the Board. Annual assessments for any year after the first year shall become due and payable on the date indicated on the notice of assessment.

The amount of the initial annual assessment for the first year in which assessments are made or for any Property which becomes subject to assessment for the first time shall be prorated on a calendar year basis according to the date of the first assessment or the date on which Property first became subject to assessment.

The due date of any special assessment shall be fixed in the Resolution authorizing such assessment.

- 6.7 DUTY OF BOARD OF DIRECTORS: The Board of Directors shall fix the amount of the annual assessment against each Building Site or Living Unit and give the Owner subject thereto written notice of such assessment at least thirty (30) days in advance of the due date of such assessment. The Board shall cause to be prepared a roster of the Properties subject to assessments with assessments applicable to each such Property and shall keep such roster in the Association office, subject to inspection by any Owner.

The Association shall, upon demand at any time, furnish to any Owner liable for an assessment a certificate in writing setting forth whether the assessments on the Property owned by such Owner have been paid.

- 6.8 EFFECT OF NON-PAYMENT OF ASSESSMENTS; LIEN OF ASSOCIATION: If an assessment is not paid on the due date as established by the Board of Directors such assessment shall be delinquent. The Board may from time to time establish a late charge and a rate of interest to be charged on assessments that are delinquent.

- 6.9 SUBORDINATION OF THE LIEN TO MORTGAGES: The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or Deed of Trust. Sale or transfer of any Building Site or Living Unit shall not affect the assessment lien. However, the sale or transfer of any Building Site or Living Unit which is subject to any mortgage or Deed of Trust, pursuant to a Decree of Foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof including sale under a Deed of Trust, shall extinguish any lien of an assessment which became a lien prior to such sale or transfer. Such sale or transfer shall not release such Building Site or Living Unit from liability from any assessments thereafter becoming due or from the lien thereof.

- 6.10 EXEMPT PROPERTY: The following property subject to this Declaration shall be exempted from the assessments, charges and liens created herein:

6.10.1 All properties to the extent of any easement of other interest therein dedicated and accepted by a municipal corporation or other local public authority and devoted to public use.

6.10.2 All Common Properties.

- 6.10.3 Undeveloped land owned or being acquired by Declarant.
- 6.10.4 Land owned or held for commercial use.
- 6.10.5 Land owned or held for private recreational use.
- 6.10.6 Land owned or under purchase agreement by contractors or Building entities who acquire such land or tracts from the Declarant for the purpose of constructing condominiums, single family attached housing, townhouses or apartments; such land or tracts shall be exempt at contractor's option until the units to be constructed on each specific phase of development have been approved for occupancy by the applicable government authority.

ARTICLE VII
RESTRICTIONS ON USE OF PROPERTY BY OCCUPANTS

7.1 USE RESTRICTIONS: The following restrictions shall be applicable to the use of any Property subject to this Declaration:

7.1.1 No animal or fowls shall be raised, kept or permitted upon the Properties or any part thereof, excepting only domestic dogs or cats, not to exceed a total of three (3), and excepting caged pet birds kept within the dwelling house, provided said dogs, cats and pet birds are not permitted to run at large and are not kept, bred or raised for commercial purposes.

7.1.2 No part of the Properties shall be used for the purpose of exploring for, taking therefrom or producing therefrom gas, oil or other hydrocarbon substances.

7.1.3 No noxious or offensive activity shall be carried on nor shall anything be done or maintained which may be or may become an annoyance or nuisance to the neighborhood or detract from its value as a high-class residential district. Prohibited activity shall include, without limitation:

YARD MAINTENANCE

- improperly maintained yards, including lack of mowing, fertilizing, watering, edging, and weeding (to include all areas within the Property line)
- failure to maintain trees and shrubs, including lack of trimming and watering necessary to maintain a landscaped appearance
- failure to remove weeds, errant grass, dead vegetation, etc. from landscaping
- failure to remove dead trees
- failure to remove tree stumps, except for tree stumps aesthetically incorporated into landscaping plans

FENCES AND PAINTED SURFACES

- failure to replace rotted posts and/or defective boards
- failure to replace or reattach loose boards
- failure to clean and/or replace discolored, aged, raw wood
- failure to maintain painted surfaces that have become water stained, peeled or blistered, faded, uneven, blotched or weathered

SPORTS EQUIPMENT, SURFACES

- failure to maintain equipment, sports court surfaces, swimming pools, basketball hoops, etc. in good repair and appearance.

CORDWOOD AND STORED ITEMS

- storage of cordwood in any area visible from the street

- storage of debris, lawnmowers, mechanical equipment or discarded items directly in view from the street or neighboring Properties

PAVED SURFACES, DRIVEWAYS, ETC.

- failure to keep driveways, patios, sidewalks, etc. clean of debris and/or moss and mildew growth
- failure to keep roofs and gutters cleaned and/or treated for moss and plant growth

7.1.4 It shall be the duty of the Owner or occupant of any Building Site to improve and maintain in proper condition the area between the Property line of said Building Site and the nearest curb or improved street, including installing and maintaining parking bays within said area. The following restrictions apply to vehicles and recreational vehicles:

VEHICLES

- vehicles, commercially licensed or not, bearing visible work-related equipment and/or apparatus for attachment of work-related equipment shall not be parked or stored in the driveways or on the Properties
- vehicles with logos, advertising, or wording other than those of the car manufacturer shall not be parked or stored in the driveways or on the Properties
- vehicles loaded with trees, trash or debris shall not remain parked or stored in the driveways or on the Properties
- unmaintained, damaged, neglected or rusted vehicles shall not be parked or stored in the driveways or on the Properties
- Vehicles parked or stored in the driveways or on the properties shall not be covered or shielded with covers of any kind including but not limited to custom fit covers, weather shield covers, form-fitting covers or tarps of any size or material.

RECREATIONAL VEHICLES

- permitted 24 hours before and 24 hours after a trip, for loading and unloading purposes on an occasional basis. “Occasional” has been defined as two times per month. Security is to be notified.

BOATS, CAMPER TOPS, TRAILERS, ETC.

- parking and/or storage of boats, trailers, camper tops, etc. in any area of the Property visible from streets, neighboring Properties, recreational areas or common areas is prohibited

7.1.5 No Owner or occupant shall remove or significantly alter any tree in any street, right-of-way, park or recreational area or other part of the Common Properties or Properties unless permission in writing is first granted by the Association.

- 7.1.6 No garbage, refuse or rubbish shall be deposited or kept on any Lot or Building Unit except in a suitable container. Loose garden trash that is required to be placed at a designated point in order to be collected may be placed and kept at such designated point for periods not to exceed twenty-four (24) hours. All areas and equipment for storage and disposal of such materials shall be kept in a clean and sanitary condition. The following rules apply to the collection and storage of garbage, yard waste and recycling materials:
- containers for storage of trash, yard waste, recycling, etc. are to be stored in an area not directly in view from streets and neighboring Properties
 - containers are to be returned to the storage site within 24 hours of pickup and stored properly between pickup days
 - containers are to be emptied on a routine basis to avoid health and safety concerns
- 7.1.7 Grading, clearing, removal or cutting of natural vegetation and/or stumps shall not be permitted without prior written approval of the Architectural Control Committee.
- 7.1.8 At the time the certificate of occupancy is issued, it shall be the duty of the Owner or occupant of any Building on private Property to connect all roof drains and area storm drains on this Property to the public or primary storm sewer system unless the Architectural Control Committee deems such connections to be unnecessary. Exposed curb connections should be screened from public view.
- 7.1.9 It shall be the duty of the Owner of any Building Site to landscape his Property within one year from the date of final building inspection or within six months of first occupancy of the structure, whichever occurs first. This includes the entire Property (front, back, and side yards) and may include grass, plantings, shrubs, trees, rocks, ivy, bark, chips, etc. Exposed dirt is not acceptable.
- 7.1.10 The lease or rental of any home, townhome, or condo within the MCCA is governed by the rules, regulations, and Restrictive Covenants of the Association, and the provisions of RCW 59.18 – Washington Residential Landlord-Tenancy Act.

Obligations of the Owner.

It is the duty and responsibility of the owner to deliver to the tenant a copy of the rules and regulations of the Association, including the Restrictive Covenants. It is also necessary for the owner to notify the Association office within 10 calendar days of any new tenant, and provide all requested information regarding their identity. The owner must also

provide information regarding their whereabouts, email, and telephone information so that they may be easily reached, if necessary. Owners shall also provide the expected move-in and move-out dates of tenants.

Obligations of the Tenant.

The tenant is expected to manage the property as if they were the owner, that is, according to and in compliance with the rules, regulations, and Restrictive Covenants of the Association. If, for any reason, the tenant fails to live up to their responsibility in the management of the property, it is the responsibility of the owner to correct the situation, including if necessary, maintenance and/or repairs to the property. Management of the property includes, but is not limited to, regular yard maintenance, proper conduct with and respect for neighbors, removal of trash totes on time, and the adherence to local noise restrictions.

Remedies by the Association.

The Association shall have, and may exercise, the same rights of enforcement of the rules, regulations, and Restrictive Covenants, and remedies for breach of the governing documents, against the owner when a property is leased or rented just as though the owner were in residence. Any costs or fines incurred as a result of the exercise of these rights, and any remedies that may be required, are solely the owner's responsibility and are due and collectable as outlined within the governing documents.

ARTICLE VIII
ARCHITECTURAL CONTROL COMMITTEE

- 8.1 ARCHITECTURAL CONTROL COMMITTEE: The Board of Directors shall appoint an Architectural Control Committee of three (3) or more Members of the Association. The Committee shall act for the Board of Directors to the extent set forth in this Declaration. One member of the Architectural Control Committee shall be appointed for one year; the second member for two years; the third members, for three years. Thereafter, members of the Architectural Committee shall be appointed or selected for three (3) year terms.
- 8.2 JURISDICTION AND PURPOSE: The Committee shall have the right to review and thereby either approve or reject all plans and specifications for any building or structure to be constructed or modified within the Properties which do not conform to the Architectural Guidelines. Enforcement of these covenants shall be carried out by the Mill Creek Community Association.
- 8.2.1 No building of any kind shall be erected, placed or altered on any Lot or Building Site on the Property until the building plans, specifications, plot plan and landscape plans are submitted by the Owner or his representative to the Architectural Control Committee and found by said Committee to

be in accordance with the guidelines and the procedures established by the Committee. It shall be the obligation of each Owner to familiarize himself with the rules, regulations and procedures of the Committee. All costs incurred by the Committee for inspections, plan review and consultants shall be paid for by the applicant.

8.2.2 The Architectural Control Committee shall administer the recommendations embodied in the cutting preserve limits as outlined on the improvement plans and the typical preserve treatments plans on file with the Snohomish County Engineer's Office and/or City of Mill Creek Engineer's Office, said records being one and the same.

8.2.3 For the purpose of determining the minimum rear and side yard requirements under the County Zoning Resolutions, the Mill Creek Golf Course and all common areas are "limited access open spaces," but are considered as "public open space" when computing rear and side yard requirements as detailed in Title 18 of the Snohomish County Code.

8.3 APPROVAL PROCEDURES

8.3.1 Any approval requested of the Committee shall be requested in writing and shall be submitted to the Association headquarters unless the Committee shall record an instrument establishing a different place to submit such plans.

8.3.2 In the event the Architectural Control Committee fails to respond to the Owner's application and submittal within thirty (30) days after said application has been submitted by the Owner in writing to the Committee for such proposed construction, addition, alteration or change, the owner may proceed with such proposed construction, addition, alteration or change. The Owner shall nevertheless be required to comply with the Architectural Guidelines, all other rules, regulations and procedures of the Committee and other provisions of this Declaration. In the event an Owner enters into construction, addition, alteration or change of any Building on a Building Site on the Properties without having first submitted in writing the proposed plans and specifications to the Committee for such work and completes such work without written approval by the Committee, the Association has the right, at any time, to force compliance by change or removal of such work, at the Owner's expense.

8.3.3 The Committee, in the discharge of its obligations hereunder and in its deliberations, shall act objectively and fairly in making decisions concerning various plans, specifications, plot plans and landscape plans submitted to it by various Owners for consideration. Further, the determinations of the Architectural Control Committee, as to non-

compliance, shall be in writing signed by the Committee and shall set forth in reasonable details the reason of non-compliance.

ARTICLE IX
RESTRICTIONS ON CONSTRUCTION,
MAINTENANCE AND IMPROVEMENT

- 9.1 RESTRICTIONS: The following restrictions are applicable to construction, maintenance and improvements on all the residential Properties;
- 9.1.1 No fence, hedge, wall or other structures shall be erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration be made until the plans and specifications showing the nature, kind, shape, height, color, materials and location of the same have been submitted to and approved by the Committee in writing as to harmony of external design and location in relation to surrounding structures and topography and as to compliance with other applicable Architectural Guidelines, all other rules, regulations and procedures of the Committee and other provisions of this Declaration.
- 9.1.2 All roofing material shall be limited to either cedar shakes, cedar shingles, earth-tone concrete tile, flat roofs with asphalt materials shielded from public view, or such other materials as the Board may from time to time designate by rule as being appropriate. All proposed installations of roofing materials shall be approved in writing by the Committee prior to construction.
- 9.1.3 All driveways and parking bays shall be constructed of concrete or concrete aggregate unless written approval for other materials is granted by the Architectural Control Committee.
- 9.1.4 The location, color, size, design, lettering and other particulars of mail or paper delivery boxes shall be subject to approval of the Committee.
- 9.1.5 No sign or other advertising device of any character shall be erected on any Lot or Building Site or maintained upon any part of the Properties except one sign not larger than eighteen inches by twenty-four (18" x 24") inches advertising the Lot or Building Site for sale or for rent by the builder of the improvements on such Property or the Owner or his agent.
- 9.1.6 The Association shall regulate the placement, installation, and use of all outside aerials, antennas, and satellite dish antennas. Prior written approval by the Architectural Control Committee shall be required prior to the placement or installation of any aerial, antenna, or satellite dish antenna upon any Property governed by the **Mill Creek Community**

Association. All written requests for the placement and installation of any aerial, antenna, or satellite dish antenna upon any Property governed by the **Mill Creek Community Association** shall include a detailed diagram of the dimensions of the aerial, antenna, or satellite dish antenna and the proposed location of the placement or installation of the aerial, antenna, or satellite dish antenna.

Any placement or installation of aerials, antennas or satellite dish antennas shall comply with the following guidelines, including any such guidelines as may hereafter be adopted by the Architectural Control Committee. All outside radio aerials/antennas, as well as satellite dish antennas greater than 39 inches in length or diameter, are prohibited. Satellite dish antennas may be located below eaves, chimneys, or on a ground-level pedestal. Poles or masts may be used to mount aerials, antennas, or satellite dish antennas provided they do not rise more than 12 feet above the upper-most level of the roof line or higher than the distance between the installation location and the lot line. Poles or masts must be secured with at least 4 guy wires. No pole or mast shall be within 15 feet of any power lines. Aerials, antennas, or satellite dish antennas shall not be mounted on trees. Brightly-colored aerials, antennas, or satellite dish antennas are prohibited; neutral gray colors and colors matching the building to which aerials, antennas, or satellite dish antennas are to be attached are permitted. The Architectural Control Committee shall work closely with the Member in an attempt to ensure that the location for installation is the best possible for reception, while minimizing impact to the common areas and neighboring Properties.

- 9.1.7 No outdoor overhead wire or service drop for the distribution of electric energy or for telecommunication purposes nor any pole, tower or other structure supporting said outdoor overhead wires shall be erected, placed or maintained within the Properties. All purchasers of Lots within the Properties, their heirs, successors and assigns shall use underground service wires to connect their premises and the structures built thereon to the underground electric or telephone utility facilities.
- 9.1.8 Heat pumps, propane tanks, solar devices, chimney flues, hot tub pumps and similar exposed mechanical equipment shall be aesthetically concealed from view on all sides and shall be shielded in such a manner to minimize noise and safety impacts.
- 9.1.9 No home with the same structural facade shall be repeated on the same street without permission of the Architectural Control Committee.
- 9.1.10 No chain link or similar metal fences or metal dog pens shall be allowed on the Properties. All fences and dog pens facing Common Property or

street frontages shall have natural landscaping to conceal the fence or dog pen.

Notwithstanding the above, the Board of Directors shall have the right to approve and arrange for the installation of chain link fencing around detention ponds located on Association Property. Installation of chain link fencing around detention ponds shall in no way establish any right in favor of an Owner to use or otherwise erect chain link fencing on the Owner's Property.

- 9.2 **RIGHT OF ENTRY OF ASSOCIATION REPRESENTATIVE:** Any agent or Officer of the Association may at any reasonable pre-determined time upon not less than twenty-four (24) hours notice during or following construction, alteration or change, enter and inspect the Property to determine if there has been compliance with all applicable Architectural Guidelines, rules, regulations, procedures and provisions of this Declaration. The Association and any agent or Officer thereof shall not thereby be deemed guilty of any manner of trespass for such entry or inspection.
- 9.3 **EVIDENCE OF COMPLIANCE WITH RESTRICTIONS:** Records of the Association with respect to compliance with the provisions of this Declaration shall be conclusive evidence as to all matters shown by such records. After the expiration of six (6) months following the completion of any approved construction, addition, alteration or change to any building on a Building Site, in the absence of any notice to comply or in the absence of any suit to enjoin such work or to force compliance by change or removal of such work within said period, the approved construction, addition, alteration or change shall be deemed to be in compliance with the provisions of this Declaration and all applicable Architectural Guidelines, rules regulations, procedures and provisions of this Declaration.

ARTICLE X
MAINTENANCE OBLIGATIONS OF OWNER

- 10.1 **VACANT LOTS:** It is the intent of these restrictions that vacant Lots be maintained in a reasonably presentable condition. Therefore, the Association shall have the right at all times to enter upon any Lot or Building Site that is vacant and unplanted or untended by the Owner, after reasonable notice to the Owner, to remove debris, weeds or other waste material and to trim, cut back, remove if damaged or dead, plant, cultivate and/or maintain hedges, trees, shrubs, plants or lawns without the permission of the Owner and to charge the expense thereof to the Owner as an assessment. The Association shall have the rights with respect to such assessment as set forth in Article VI as to annual and special assessments.

- 10.2 OWNER'S OBLIGATION TO MAINTAIN PLANTING: Where the Association has permitted an Owner to plant a portion of the Common Properties abutting the Owner's Property in accordance with the Owner's landscaping plan, as approved in writing by the Committee, the Owner shall thenceforth be obligated to maintain the landscaping of such portion of the Common Properties or parking bays thereon. The Owner shall give the Association a right upon reasonable notice to the Owner to maintain such areas of the Common Properties and to charge the expense thereof to the Owner as an assessment to be collected in the manner provided in Article VI.
- 10.3 REASONABLE NOTICE: "Reasonable notice", as that term is used in this Article, shall mean mailing by certified mail to the last known address of the Owner shown on the books of the Association not less than ten (10) days before entry on such Owner's Property is made or maintenance of such landscaping is undertaken pursuant to Section 10.2.

ARTICLE XI
ERECTION OF SIGNS OR STRUCTURES BY DECLARANT

- 11.1 Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by Declarant or its duly authorized agent of structures or signs for the conduct of its business in connection with or upon the Properties while the same or any part thereof is owned by Declarant.

ARTICLE XII
GENERAL PROVISIONS

- 12.1 DURATION: Covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association or the Owner of any Building Site or Living Units subject to this Declaration, their respective legal representatives, heirs, successors and assigns in perpetuity. The covenants and restrictions of this Declaration may be amended as herein provided. No change of conditions or circumstances shall operate to amend any of the provisions of this Declaration, which may be amended only in the manner provided herein.

Except for provisions relating to voting rights of Members, limitations on the amount of assessments or annual charges and rights of Members in common areas, none of which may be changed if more than thirty-three and one-third (33 $\frac{1}{3}$ %) percent of the Members of the Association entitled to vote thereon cast their vote against the change, any of the covenants herein contained may be amended and/or new covenants affecting the Development may be created by the filing of an appropriate document in the Office of the Auditor of Snohomish County, or other proper recording office. An amendment to the Declaration executed and

acknowledged by the proper Officers of the Association shall set forth substantially the following provisions:

- 12.1.1 The covenant intended to be added or amended
- 12.1.2 A description or designation of the part of the Development upon which such amendment or new covenant is intended to be operative, which description or designation may refer to or appear on a plat to be filed with a certificate
- 12.1.3 A statement that a resolution adopting such amendment or such new covenant was duly adopted at a duly held regular or special meeting of the Board after a meeting of the Members of the Association, at which meeting the resolution was voted for by more than fifty (50%) percent of the voting Members of the Association. If such limitations on the amount of the assessment or annual charge or the rights of Members of common areas, such statement shall represent that not more than thirty-three and one-third (33 $\frac{1}{3}$ %) percent of the Members of the Association entitled to vote thereon cast their vote against the amendment.
- 12.2 NOTICES: Unless otherwise provided herein, any notices required to be sent to any Member or Owner under the provisions of the Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.
- 12.3 ENFORCEMENT: The Association or any Owner shall have the right to enforce by any proceeding at law or in equity all restrictions, conditions, covenants and reservations imposed by the provisions of this Declaration and a similar right shall exist with respect to recovery of damages for any such violation. In the event a Judgment, or Decree, or Court Order is entered in favor of the Association or any Owner in any action at law or in equity to enforce these provisions, the defendant in such action shall be liable for the Association's or Owner's court costs and disbursements and reasonable Attorney fees to be fixed by the Court. Failure of the Association or of any Owner, at any time, to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so in the future.
- 12.4 SEVERABILITY: Invalidation of any one of these covenants or restrictions by Judgment or Court Decree shall in no way affect any other provisions which shall remain in full force and effect.
- 12.5 EFFECT OF MUNICIPAL ORDINANCES: Police, fire and other public safety ordinances of any municipal corporation having jurisdiction over any portion of the Properties shall govern where more restrictive than these covenants and restrictions.

12.6 INTERPRETATION OF COVENANTS: The Board shall have the right to determine all questions arising in connection with the Declaration and to construe and interpret the provisions of the Declaration and its good faith determination, construction, or interpretation shall be final and binding.