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SNOHOMISH COUNTY, WASHINGTON

DOCUMENT TITLE:	Restated Declaration of Covenants, Conditions and Restrictions of Apple Tree - Divisions 1 to 7
REFERENCE NUMBER(S):	200010250466 Declaration of Covenants, Conditions and Restrictions of Apple Tree 200210310292 Declaration of Covenants, Conditions and Restrictions of Apple Tree Div 5 200509080077 Declaration of Covenants, Conditions and Restrictions of Apple Tree and Apple Tree Div 5 200611150150 First Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions of Apple Tree and Apple Tree Div 5 200705030433 Second Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions of Apple Tree and Apple Tree Div 5 200712100683 Third Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions of Apple Tree and Apple Tree Div 5
GRANTOR(S):	Apple Tree Homeowners Association
GRANTEE(S):	Apple Tree Homeowners Association
LEGAL DESCRIPTION:	SE ¼ of the SW ¼ and NW ¼ of the SE ¼ and SE ¼ and SW ¼ of SE ¼ of Section 33, Township 28 North, Range 5 East, Snohomish County, Washington
ASSESSOR'S PARCEL NO.:	00 9147 001 00100, additional parcel numbers on Exhibit A attached

ORIGINAL

**RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF
APPLE TREE – DIVISIONS 1 TO 7**

THIS RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF APPLE TREE – DIVISIONS 1 TO 7 of Covenants, Conditions and Restrictions (hereafter “the Declaration”) is made and entered into this ____ day of June 2010 by Apple Tree Homeowners Association.

RECITALS

A Certain real property is located within the plat of APPLE TREE recorded under Auditor’s File Number 200010255006 and altered by the plat of APPLE TREE Divisions 3, 4, 5, 6 and 7 recorded respectfully under Auditor’s File Numbers 2000101245003, 200205315005, 200206125005, 200611155002 and 200704185002 records of Snohomish County, Washington (collectively “Divisions 2, 3, 4, 5, 6 and 7”) Divisions 1, 2, 3, 4, 5, 6 and 7 are subject to the Declaration of Covenants, Conditions, and Restrictions of Apple Tree, recorded under Snohomish County Auditor’s File No. 20010250466, as amended. The real property located within Divisions 1 through 7 is legally described in the respective above-mentioned plats, which legal descriptions are incorporated by reference herein.

B. Apple Tree Homeowners Association wishes to restate and consolidate the Apple Tree Declaration of Covenants, Conditions and Restrictions, as previously amended in order to clarify that the transition from the Declarant has occurred, and that the present and future owners of lots in the plats of APPLE TREE Divisions 1 through 7 are members of Apple Tree Homeowners Association and to subject the present and future owners of lots in Divisions 1 through 7 to the same Restated Covenants, Conditions, and Restrictions established herein and to delete (where appropriate) references in the Declaration to the Declarant.

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

ARTICLE 1.
DEFINITIONS

1.1 "APPLE TREE" means the real property subject to the Plats of APPLE TREE Divisions 1 through 7.

1.2 "Association" shall mean APPLE TREE Homeowners' Association, its successors and assigns.

1.3 "Common Areas" shall mean all real property now or hereafter designated as common areas by the Association and all real property on the Plats of APPLE TREE Divisions 1 through 7 designated as open space, native growth protection area, wetlands, and/or storm water detention/drainage facilities (Tracts 997, 998, and 999 of each such plat, as applicable). Common Areas are to be owned in undivided ownership by all owners within APPLE TREE, and maintained by a homeowners association in which they are the members, subject to this Declaration.

1.4 "Declarant" shall mean Gordon P. Reykdal.

1.5 "Lot" shall mean any area or real property within the Plats designated as a residential lot by an appropriate means of governmental approval recorded or approved by Declarant, with the exception of the Common Area and property dedicated to any governmental entity, but together with all appurtenances, improvements, and residences now or hereafter built or placed on the Lot.

1.6 "Member" shall mean Owner who belongs to the Association.

1.7 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, but excluding those having such interest merely as security for the performance of an obligation. Purchasers and their assignees under recorded real estate contracts shall be deemed Owners as against their respective sellers or assigns. An Owner shall include any person who holds title to a Lot in joint ownership with any other person or holds an undivided fee interest in any lot.

1.8 "Participating Building" shall mean a Person who acquires from the Declarant one or more Lots for the purpose of improving the same for resale to future owners.

1.9 "Person" shall mean an individual, corporation, partnership, association, trustee, or other legal entity.

1.10 "Plats" shall mean the plat of APPLE TREE recorded under Auditor's File Number 200010255006, the plat of APPLE TREE DIV 3 recorded under Auditor's File Number 200101245003, the plat of APPLE TREE DIV 4, recorded under Auditor's File Number 200265315005, and the plat of APPLE TREE DIV 5, recorded under Auditor's File Number 200206125005.

1.11 "Property" shall mean the real property legally described in the Plats.

1.12 "Visible From Neighboring Property" shall mean, with respect to any given object, that such object is or would be visible to a person six feet tall, standing at ground level on any part of a Lot, Common Area, or street neighboring that on which such object exists.

ARTICLE 2. HOMEOWNERS' ASSOCIATION

Section 2.1 Establishment. "APPLE TREE Homeowners' Association" (referred to hereinafter as the "Association") was previously created.

Section 2.2 Form of Association. The Association is a nonprofit corporation formed and operated pursuant to Title 24, Revised Code of Washington.

Section 2.3 Membership Qualification. Each Owner of a Lot in the Property shall be a member of the Association and shall be entitled to one membership for each Lot so owned, provided, that if a Lot has been sold on contract, the contract purchaser shall exercise the rights of the 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 Lot shall be the sole qualification for membership in the Association.

Section 2.4 Bylaws of Association

2.4.1 Adoption of Bylaws. Bylaws for the administration of the Association and Property, and to further the intent of this Declaration, were previously adopted. Amendments to the Bylaws may be adopted by the Board of Directors or by the Owners at a regular or special meeting called by the Owners with notice of the time, place, and purpose of such meeting delivered to each Owner at least ten (10) days prior to such meeting.

2.4.2 Bylaws Provisions. The Bylaws are deemed to contain provisions identical to those provided in this Declaration and may contain supplementary, not inconsistent, provisions regarding the operation of the development and administration of the Property. In the event that there is conflict between this Declaration and any Bylaws or rules and regulations, the provisions of this Declaration shall prevail. The Bylaws establish such provisions for quorum, ordering of meetings, and detail

regarding the giving of notice as may be required for proper administration of the Association and the Property, and such other matters as the Members may deem appropriate.

Section 2.5 Administration of the Development. The Owners covenant and agree that the administration of the development shall be in accordance with the provisions of this Declaration, the Bylaws and any Rules and Regulations of the Association which are made a part hereof.

Section 2.6 Management by Elected Board of Directors. Administrative power and authority hereby vests in a Board of Directors elected from among the Lot Owners. The number of Directors shall be specified in the Bylaws and shall be sufficient to adequately handle the affairs of the Association. The Board may delegate all of any portion of its administrative duties to a manager, managing agent, a committee, or officer(s) of the Association or as otherwise may be provided in the Bylaws. The Board shall elect from among its members, a President who shall preside over meetings of the Board and the meetings of the Association, and other officers in its discretion.

Section 2.7 Authority and Duties of the Board. On behalf of and acting for the Association, the Board, for the benefit of the Property and the Owners, shall enforce the provisions of this Declaration and the Bylaws, and shall have all powers and authority permitted to the Board under this Declaration, including but not limited to the following:

2.7.1 Budget and Assessments The Board shall annually recommend a budget and recommend the amount of the annual assessment for approval by the Owners of the Association. It shall include the recommended budget and assessment with the notice to Members of each annual meeting, within 30 days after it adopts each proposed budget. The meeting shall be not less than fourteen (14) nor more than sixty (60) days after the mailing of the notice. Unless at the meeting Owners with a majority of votes in the Association reject the budget, in person or by proxy, 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 budget last ratified by the Owners shall continue until such time as the Owners ratify a subsequent budget proposed by the Board of Directors. Any proposed special budget or special assessment shall require ratification by the members, which may be at a special meeting, in accordance with the notice and approval requirements stated above.

2.7.2 Service Obtain the service of persons or firms as required to properly manage the affairs of the Property to the extent deemed advisable by the Board including legal and accounting services, property management services as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Common Area, and whether such personnel are employed directly by the Board or are furnished by the manager or management firm or agent.

2.7.3 Utilities Obtain water, sewer, garbage collection, electrical, telephone, gas, and any other necessary utility service, including obtaining and granting utility easements, as required for the Property and/or the Common Areas.

2.7.4 Insurance Obtain and pay for policies of insurance or bonds providing Common Area casualty and liability coverage, and for fidelity of Association officers and other employees.

2.7.5 Maintenance and Repair of Common Area Pay for the costs of maintenance of all Common Areas and improvements located thereon so as to keep the Property in good, clean, attractive, sanitary, and safe condition and in full compliance with applicable governmental laws, rules, and regulations and the provisions of this Declaration and the Plats. The foregoing shall include the cost of repairing and replacing of any equipment, landscaping and/or furnishings for the Common Areas as the Board shall determine are necessary and proper.

2.7.6 Enforce Declaration Enforce the applicable provisions of the Declaration, provided that neither the Board nor its individual Members shall have any liability for failure to enforce any covenant herein.

2.7.7 Contracts Contract for materials and/or services to carry out its responsibilities provided herein.

2.7.8 Financial Statements Prepare or cause to be prepared at least annually (or more frequently if desired by the Board), a balance sheet and an operating (income/expense) statement for the Association, copies of which shall be distributed to each of the Owners within thirty (30) days after the accounting date or with the notice for the annual meeting of Members. The operations statement shall include a schedule of assessments received and receivable, identified by the number of the Lot and the name of the Owner so assessed. The Board may require that an external audit be prepared annually by an independent public accountant within ninety (90) days following the end of each fiscal year.

2.7.9 Payment for Materials, Services, Etc. Pay for any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments which the Board is required to secure by law, or which in its opinion shall be necessary or proper for the operation of the Common Area or for the enforcement of this Declaration, provided that if for any reason such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for the particular Lots or their Owners, the cost thereof shall be specifically charged to the Owner of such Lots.

2.7.10 Non-Profit Nothing herein contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all of the Owners or any of them.

2.7.11 Exclusive Right to Contract The Board shall have the exclusive right to contract for all goods and services, payment of which is to be made from the maintenance fund. The Board may delegate such powers subject to the terms hereof.

2.7.12 Emergency Entry. The Board and its agents or employees may enter any Lot when necessary in connection with any maintenance, landscaping, or construction for which the Board is responsible or in the event of emergencies. Such entry shall be made with as little inconvenience to the Owners as practical, and any damage caused thereby shall be repaired by the Board out of the common expense fund if the entry was due to an emergency or for the purpose of maintenance or repairs to Common Areas. If the emergency repairs or maintenance were necessitated by or for the Lot entered or its Owners, or requested by its Owners, the costs thereof shall be specially charged to such Lot.

2.7.13 Attorney-in-Fact Each Owner, by the mere act of becoming an Owner or contract purchaser of a Lot, shall irrevocably appoint the Association as his/her/its attorney-in-fact, with full power of substitution, to take such action as reasonably necessary to promptly perform the duties of the Association and Board hereunder, including but not limited to the duties to maintain, repair, and improve the Common Areas, to deal with the Property upon damage or destruction, and to secure insurance proceeds.

2.7.14 Borrowing of Funds In the discharge of its duties and the exercise of its powers but subject to the limitations set forth therein, the Board may borrow funds on behalf of the Association and to secure the repayment thereof encumber (subject to the limitations set forth in this Declaration) the Common Areas, facilities, Association's funds collected and to be collected.

2.7.15 Additional Powers of Association In addition to the duties and powers of the Association, as specified herein, and elsewhere in this Declaration, but subject to the provisions of this Declaration, the Association, acting through its Board, shall have the power to do all other things which may be deemed reasonably necessary to carry out its duties and the purposes of this Declaration including, but not limited to, capital improvements, obtaining of appropriate insurance and bonds, adopting rules and regulations governing the Association and Owners, establishing a schedule of fees regarding Common Area use, establishing fines for violations of rules and/or noncompliance with this Declaration, and adopting emergency Bylaws to be effective until they are either ratified or rejected at the next annual Members meeting, or a special Members meeting in the discretion of the Board. In the event of a conflict between this Declaration and any such emergency Bylaws or rules and regulations, the provisions of this Declaration shall prevail.

Section 2.8 Board Organization and Operation

2.8.1 Election of Board of Directors, Cumulative Voting Feature, and Term of Office. The members of the Board elected by the Owners shall serve at least a one (1) year term of office, provided, the voting procedures shall assure that the expiration dates for the term of Board members shall be staggered.

2.8.2 Vacancies Vacancies in the Board caused by any reason other than removal of a Board member by a vote of the Association shall be filled by vote of the majority of the remaining Board members, even though they may constitute less than a quorum. Each person so elected shall be a Board member until a successor is elected at the next annual meeting of the Association.

2.8.3 Removal of Board Members Any one (1) or more Board members may be removed with or without cause by a majority of the Lot Owners, at any regular meeting or special meeting called for that purpose. A successor may then and there be elected to fill the vacancy thus created. Any Board member whose removal has been so proposed by the Owners shall be given an opportunity to be heard at the meeting.

2.8.4 Regular Meetings Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Board Members. At least three (3) such meeting shall be held during each fiscal year; one (1) of which shall be held immediately following the annual meeting of Owners. Notice of regular meetings of the Board shall be given to each Board Member, personally or by mail or telephone at least ten (10) days prior to the day named for such meeting.

2.8.5 Special Meetings Special meetings of the Board may be called by the President on ten (10) days notice to each Board Member, given personally, by mail, or telephone. Said notice shall state the time, place, and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) Board Members.

2.8.6 Waiver of Notice Before, at or after any meeting of the Board, any Board Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Board Members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 2.9 Common Expenses and Assessments

2.9.1 Creation of the Lien and Personal Obligation of Assessments Each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association (1)

Annual Assessments or charges, and (2) special Assessments for capital improvements, reconstruction or other special purposes. Such assessments shall be established and collected as herein provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless the lien for such delinquent assessments had been properly recorded prior to title transfer or unless expressly assumed by them. Provided, however, that in the case of a sale of any Lot which is charged with the payment of an assessment or assessments payable in installments, the person or entity who is the Owner immediately prior to the date of any such sale shall be personally liable only for the amount of the installments due prior to said date. The new Owner shall be personally liable for installments which become due on and after said date.

2.9.2 Purpose of Assessments The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the members thereof, their guests and invitees, and shall be used to improve, protect, operate, and maintain, the Common Areas, and to provide for performance of the duties of the Board.

2.9.3 Initial Contribution, Annual Assessments At the time of the initial closing of the purchase and sale of each Lot, the escrow agent shall collect from each Lot Owner a start-up contribution to the Association in the amount of \$250 . The initial annual assessment (which is in addition to the start-up fee) shall be prorated for any partial year at the time of purchase of the Lot. Assessments shall be sufficient to meet the obligations of the Association, including without limitation, maintenance of the private storm water drainage facilities located within the Plat. The annual assessment shall not be increased by more than 15% without the approval of a majority of the Members voting at a meeting duly called for such purpose.

2.9.4 Special Assessments for Capital Improvements In addition to the Annual Assessments authorized above, the Association may levy, in any assessment year, a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, acquisition, or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall not be valued in excess of Five Thousand Dollars (\$5,000) except upon a majority vote of all Owners, or valued in excess of Twenty-Five Thousand Dollars (\$25,000) except upon a seventy percent (70%) affirmative vote of all Owners, with such vote being cast in person or by proxy at a meeting called for such purpose, or if no such meeting is held, the written consent of all of the Owners.

2.9.5 Exception to Maximum Assessment Limitation The limitations on maximum Annual Assessments under 9.3 and 9.4 shall not apply with respect to a Special Assessment against a member imposed by the Board to reimburse the Association for costs incurred in bringing the Owner or the Home and/or Lot into compliance with the provisions of this Declaration.

2.9.6 Uniform Rate of Assessment Both Annual and Special Assessments must be fixed at a uniform rate for all Lots, except for Special Assessments against an Owner imposed by the Board to reimburse the Association for costs incurred in bringing the Owner or the Home and/or Lot into compliance with the provisions of this Declaration.

2.9.7 Due Dates for Annual Assessments Written notice of the Annual Assessment shall be sent to every Owner subject thereto.

2.9.8 Payment of Owners Each Owner shall be obligated to pay its share of Annual Assessments and Special Assessments levied pursuant to this Article to the treasurer for the Association. Annual Assessments shall be paid in full on or before the annual due date established by the Board. Special Assessments shall be payable annually, or in equal monthly installments on or before the first day of each month during each year, or in such other reasonable manner as the Board shall designate. Assessments for each Lot Owner shall begin on the date said Owner closes the transaction in which he acquires right, title, or interest in the Lot. Assessments for the initial month shall be prorated if closing occurs on other than the first of the month. Any assessment or charge which remains unpaid for at least thirty (30) days shall bear interest at the rate of twelve percent (12%) from due date until paid. In addition, the Board may impose a monthly delinquent assessment account late charge in an amount not exceeding ten percent (10%) of any delinquent assessment balance as of the end of each month.

2.9.9 Lien Indebtedness In the event any Annual or Special Assessment attributable to a particular Lot remains delinquent for more than thirty (30) days, the Board may, upon fifteen (15) days written notice to the Owner of such Lot, accelerate and demand immediate payment of all, or any portion of the assessments and charges which the Board reasonably determines will become due during the next succeeding twelve (12) months with respect to such Lot. Each Annual or Special Assessment shall be the personal debt and obligation of the Owner of Lots for which the same are assessed or charged as of the time the assessment or charge is made and shall be collectible as such. The amount of any assessment upon any Lot and the Owner or Purchaser of any Lot, plus interest at the rate of twelve percent (12%) per annum, and costs, including reasonable attorney's fees, shall be a lien upon such Lot and the Buildings situated thereon as further provided above in Section 9.1. The lien for payment of such assessments and charges shall have priority over all other liens and encumbrances, recorded or unrecorded. Suit to recover a money judgment for unpaid

assessments or charges shall be maintainable without foreclosure or waiver of the lien securing the same.

2.9.10 Notice of Creation of Assessment Lien The Notice of Assessment shall not be filed of record unless and until the Board or a person designated by it shall have delivered to the defaulting Owner, not less than fifteen (15) days prior to the recitation of such Notice of Assessment, a written Notice of Default and a demand to cure same within said fifteen (15) day period.

2.9.10 Foreclosure of Assessment Lien, Attorney's Fees and Costs The Board or manager of the Association may initiate action to foreclose the lien of any assessment on behalf of the Association. In any action or foreclose a lien against any Lot for nonpayment of delinquent assessments or charges, any judgment rendered against the Owners of such Lot in favor of the Association shall include a reasonable sum for attorney's fees and all costs and expenses reasonably incurred in preparation for or in the prosecution of said action, in addition to taxable costs permitted by law.

2.9.11 Homestead Waiver Each Owner hereby waives, to the extent of any liens created pursuant to this Article, the benefit of any homestead or exemption law in effect at the time any installment of maintenance charges becomes delinquent or any lien is imposed pursuant to the terms hereof.

2.9.12 Curing the Default The Board shall file and record a satisfaction and release of the lien created by a Notice of Assessment filed and recorded in accordance with this Article upon timely payment or other satisfaction of all delinquent assessments set forth in the Notice, and all other assessments which have become due and payable following the date of such recitation with respect to the Lot as to which such Notice of Assessment was filed and recorded, together with all costs, late charges, and interest, which have accrued thereon. A fee of Twenty-Five Dollars (\$25.00) covering the cost of preparation and recitation shall be paid to the Association prior to such action. The satisfaction of the lien created by the Notice of Assessment shall be executed by any Director of the Association or by any authorized representative of the Board. "Costs" shall include costs and expenses actually incurred or expended by the Association in connection with the cost of preparation and recitation of the Notice of Assessment and in efforts to collect the delinquent assessments secured by the lien and a reasonable sum for attorney fees.

2.9.13 Rights of Board – Wavier of Owners Each Owner hereby vests in and delegates to the Board or its duly authorized representatives, the right and power to bring all actions at law, including lien foreclosures whether judicially or by power of sale or otherwise, against any Owner(s) for the collection of delinquent assessments in accordance herewith. Each Owner hereby expressly waives any objection to the enforcement, in accordance with this Declaration, of he obligation to pay assessments as set forth herein.

2.9.12 Continuing Liability for Assessments No Owner may exempt himself from liability for the Annual or Special Assessments by abandonment of the Lot or abandonment of the use of any of the Common Areas.

ARTICLE 3.

EASEMENTS, RESTRICTIONS, AND RIGHTS OF ENJOYMENT IN COMMON AREAS

Section 3.1 Easements of Enjoyment Subject to the restrictions set forth herein, every Owner for the benefit of their respective Lot shall have a non exclusive right and easement of enjoyment in and to the Common Areas through APPLE TREE which easement shall be appurtenant to and shall pass with the title to every Lot. Any Owner may delegate the right of use and enjoyment to the easements created herein to the members of his family, his tenants, contract purchasers, invitees and guests.

Section 3.2 Restrictions on Use of Common Areas The use of the Common Areas by Owners shall be subject to any applicable restrictions contained in the Plats or in any other applicable covenants or restrictions concerning the Common Areas, as well as any rules or regulations concerning use of the Common Areas which may be adopted by the Board from time to time.

Section 3.3 Monument and Landscape Easement The Board shall be responsible for maintenance, operation, and repair of the entry monumentation and landscaping in these easements, and expenses relating thereto shall be expenses of the Association subject to assessment as provided above. The Board shall likewise be responsible for maintenance, operation, and repair of all landscaping located in landscape islands and medians, and expenses relating thereto shall be expenses of the Association subject to assessment as provided above.

Section 3.4 Storm Water Maintenance and Open Space Tracts 997,998 and 999 shown on the face of each of the Plats, as applicable, contain storm water facilities, open space designations, wetlands and/or Native Growth Protection Areas. These Common Areas are hereby granted and conveyed, together with all maintenance obligations, to all Lots with an equal and undivided interest together with an emergency maintenance easement granted and conveyed to Snohomish County, subject to the right of Declarant to convey it to the Association. These tracts shall remain an appurtenance to and inseparable from each Lot. Any Lot that has membership in the APPLE TREE Homeowner's Association has all rights, responsibilities, and obligations for maintaining Tracts 997, 998 and 999, subject to such rules and limitations as may be adopted by the Board from time to time.

ARTICLE 4.

GENERAL COVENANTS, CONDITIONS, AND RESTRICTIONS

Section 4.1 Covenants, Conditions, and Restrictions Applicable to Lots The following general covenants, conditions, and restrictions shall apply to all Lots.

Section 4.1.1 Single Family Residential Use All Lots within the Plats shall be used only for the construction and occupancy of single family dwellings and shall be used, improved, and devoted exclusively to residential use. The phrase "used only for the construction and occupancy of single family dwellings" precludes the construction of anything other than a single family dwelling (i.e., a multiple family dwelling or temporary dwelling/building) and also precludes the use of any Lot for commercial purposes (except as provided below in this Section 4.1.1). No dwelling shall be erected which has a fully enclosed floor area (exclusive of a porch, patio, garage, or other accessory building) of less than 1,600 square feet. However, there is no requirement that a single family dwelling must be constructed on each and every Lot. "Residential use" includes without limitation, use of a yard, gardening, or landscaping, fence construction, and/or other personal residential (i.e., not commercial) activities that are consistent with all covenants, conditions or restrictions contained herein and on the Plats. No business of any kind shall be conducted on any Lot with the exception of (a) such home occupation which may be permitted by the appropriate local government and which is not otherwise in violation of the provisions of this Declaration, and (b) management of the Association.

Section 4.1.2 Prefabricated Buildings No prefabricated buildings or structures of any nature whatsoever, specifically including mobile homes, permanent or temporary, shall be moved, placed, constructed, assembled, or otherwise maintained on any Lot within the Plats.

Section 4.1.3 Animals No animal, bird, fowl, poultry, or livestock, other than a reasonable number of generally recognized house or yard pets ("Pets") shall be maintained on any Lot and then only if they are kept hereon solely as domestic pets and not for commercial purposes. No Pets shall be allowed to make an unreasonable amount of noise or to become a nuisance. Each Owner shall be responsible for the removal and disposal of all solid animal waste of his Pet from any Lot or the Common Areas.

Section 4.1.4 Temporary Occupancy and Temporary Buildings No trailer, recreational vehicle, boat, basement of any incomplete building, shed, tent, shack, garage or barn, and no temporary buildings or structures of any kind, shall be used at any time for a residence, either temporary or permanent. Temporary buildings or structures used during construction of improvements on any Lot shall be removed immediately after the completion of construction.

Section 4.1.5 Storage Sheds and Outside Storage No storage buildings or sheds, whether prefabricated, metal, or any other construction whatsoever, whether permanent or temporary, shall be moved, placed, assembled, constructed or otherwise maintained on any Lot unless approved in advance in writing by the Architectural Control Committee, pursuant to Article V.

Section 4.1.6 Nuisances, Construction Activities, Hazardous Activities, Lighting No rubbish or other debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot or Common Areas, and no odors or loud noises shall be permitted to arise or emit from any Lot so as to render any such property or portion thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to the occupants of such property. No other nuisance or unsafe or hazardous activity shall be permitted to exist or operate upon any Lot so as to be offensive or detrimental to any other Lot to its Owner or occupants. Normal construction activities and parking in connection with the building of improvements on a Lot shall not be considered a nuisance or otherwise be prohibited by this Declaration. No Firearms shall be discharged within APPLE TREE and no explosives of any kind shall be discharged or stored upon any of the Lots or permitted with APPLE TREE. No open fires shall be lighted or permitted on the Lots, except in a contained outdoor fireplace or barbecue unit while attended. Artificial outdoor lighting shall be arranged so that the light is shaded or otherwise directed away from adjoining properties and so that no more than one foot candle of illumination leaves the property boundaries.

Section 4.1.7 Repair of Structure No structure on any Lot shall be permitted to fall into disrepair and each such structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished. In the event any structure is damaged or destroyed, then such structure shall be immediately repaired and rebuilt or shall be demolished and the debris removed immediately.

Section 4.1.8 Antennas No dish antenna or satellite dish that is more than one meter in diameter, or other device for the transmission or reception of television or radio (including ham radio) signals or other similar device shall be erected, used, or maintained outdoors on any Lot unless approved in advance in writing by the Architectural Control Committee, pursuant to Article V. A dish antenna or a satellite dish that is less than one meter in diameter must only be installed in strict accordance with all applicable building code requirements using proper methods for installation. Lot owners are encouraged to consult with the Architectural Control Committee prior to the installation of a dish antenna or a satellite dish that is less than one meter in diameter.

Section 4.1.9 Trash Containers and Collection No trash or other debris shall be placed or kept on any Lot, except in standard covered sanitary containers. In no event shall such containers be Visible From Neighboring Property unless they are being made available for collection and then only for a period of time not exceeding

fifteen (15) hours, which is deemed to be a reasonable time to effect collection. No outdoor incinerator shall be kept or maintained on any Lot.

Section 4.1.10 Trucks, Trailer, Recreational Vehicles, Campers and Boats

No motor vehicles classed by manufacturer rating as exceeding one ton, recreational vehicle, mobile home, travel trailer, tent trailer, utility trailer, camper shell, detached camper, boat, boat trailer, or other similar equipment or vehicles may be parked, maintained, constructed, reconstructed, or repaired on any Lot, Common Area, or street within APPLE TREE. Notwithstanding the foregoing any of the above described vehicles may be stored in a garage or behind the building line, providing said vehicles are screened from neighboring property, the street, or Common Areas by a fence in conformity with 1.1.14 of this Section. This subsection shall not apply to cleaning, loading, or unloading and short term parking which shall be permitted for a cumulative period not to exceed seventy-two (72) hours in any calendar month.

Section 4.1.11 Motor Vehicles

No automobile, motorcycle, motorbike, or other motor vehicle shall be constructed, reconstructed, repaired, or rebuilt upon any Lot, Common Areas, or streets within APPLE TREE and no inoperable or unlicensed vehicle may be stored or parked so as to be Visible From Neighboring Property, Common Areas, or streets, provided, however, that this Subsection shall not apply to emergency vehicle repairs which (i) require less than twenty-four (24) hours to complete, and (ii) vehicles parked in garages which are not Visible From Neighboring Property, Common Areas, or streets.

Section 4.1.12 Parking

There shall be no parking on any public road dedicated in the Plat, and there shall be no more than two (2) vehicles parked in a Lot's driveway, with the exception of nonrecurring events (no more often than twice a year for any Owner) in which parking on a public road dedicated in the Plats or the driveway does not extend beyond five (5) hours.

Section 4.1.13 Machinery, Equipment, and Commercial Vehicles

No machinery, equipment, or commercial vehicles of any kind shall be placed, operated, or maintained upon or adjacent to said Lot except such machinery, equipment, or commercial vehicles as is usual and customary in connection with the construction (during residential construction only) of a building, appurtenant structure, or improvements on a Lot.

Section 4.1.14 Unnatural Drainage

Under no circumstances shall any Owner, or their tenants, guests or other occupants, be permitted to deliberately alter the topographic conditions of the Lot in any way that would adversely affect or obstruct the approved and constructed storm drainage system and surface flows.

Section 4.1.15 Fences

No fences, wall, hedge, or mass planting, other than a foundation planting, shall be permitted to extend nearer to any street or private road than the minimum setback line required by ordinance, provided, however, that

nothing shall prevent the erection of a necessary retaining wall. Provided further, that no fence, wall, hedge, or mass planting shall at any time extend higher than six (6) feet above the ground, except for necessary retaining walls or rockeries which will conform to the Snohomish County building codes. No wire fences shall be used for fencing any Lot unless approved in advance in writing by the Architectural Control Committee. The finished side of all fences shall face the exterior of the Lot.

Section 4.1.16 Landscaping Within one hundred eighty (180) days after the issuance of an occupancy permit for a residential structure, the Owner shall substantially complete all landscaping of the Lot. Landscaping shall emphasize plantings and other features which will complement and enhance the native, existing character of APPLE TREE. Each Owner shall ensure that the landscaping on their Lot is maintained to provide a neat and attractive appearance.

Section 4.1.17 Easements Within the final Plats, easements are established for installation and maintenance of utilities and drainage. Within these easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and/or maintenance of such utilities, or which may change the direction or flow of water through a drainage channel in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

Section 4.1.18 Signs No signs whatsoever which are visible from neighboring property shall be erected or maintained on any Lot or Common Area except:

(i) Signs required by legal proceedings and then the sign shall not exceed 18" by 24" unless mandated by Court or Washington law.

(ii) One "For Sale" or "For Rent" sign not exceeding six (6) square feet in area, which shall be removed promptly upon sale or rental of the residence, and

(iii) "Temporary Signs" for political advertising, yard sales, garage sales, etc., which shall not exceed four (4) square feet in size, nor be in place for longer than 60 days.

(iv) Permanent Monument (Entry Signage) and Common Area identification Signs.

Section 4.1.19 Completion of Construction No structure shall be constructed or caused to be constructed on any Lot unless the plans for the structure have been approved in advance in writing by the Board. The Board's approval of any plans shall not constitute any warranty or representation whatsoever by the Board or any of its members that such plans were examined or approved for engineering or

structural integrity or sufficiency or compliance with applicable governmental law, codes, ordinances and regulations, and each Owner hereby release any and all claims of any nature whatsoever against the Board or any of its Directors, and their heirs, successors and assigns, based upon engineering or structural integrity or sufficiency or compliance with applicable governmental laws, codes, ordinances and regulations.

Section 4.1.20 Uniformity of Use and Appearance One of the purposes of this Declaration is to assure within the Property a uniformity of use and quality of workmanship, materials, design, maintenance and location of Structures with respect to topography and finish grade elevation. It is in the best interest of each Owner that such uniformity of use be maintained as hereinafter provided. Notwithstanding anything herein set forth, the construction of any structure shall comply with the more restrictive of either (i) the terms and conditions of this Declaration or (ii) the laws, codes, ordinances and regulations of any governmental entity having jurisdiction.

ARTICLE 5.

CONSTRUCTION AND ARCHITECTURAL CONTROL

Section 5.1 Establishment The Architectural Control Committee is composed of members appointed by the Board of Directors. A majority of the committee may designate a representative to act for it. In the event of death or resignation of any member of the committee, the remaining members shall have full authority to designate a successor. Neither the members of the committee, nor its designated representative shall be entitled to any compensation for services performed pursuant to the covenant.

Section 5.2 Exterior Finish The exterior of all structures shall be designed, built and maintained in such a manner to blend with the natural surroundings and existing structures within the APPLE TREE. Siding options shall consist of solid wood product or approved wood by-product, stucco or brick. All exterior paint colors shall be consistent with surrounding structures. No primary, reflective or fluorescent colors shall be utilized in any way on any structure. Exterior trim, fences, doors, railings, decks, eaves, gutters and the exterior finish of garages and accessory buildings, if allowed, shall be designed, built and maintained to be compatible with the exterior of the structures they adjoin. All structures shall be completed as to exterior appearances, including finish painting within nine (9) months from the start date of construction, such shall be defined for purposes hereof as the date the foundation is poured, except in the event of acts of God beyond the control of the builder.

Section 5.3 Criteria The Architectural Control Committee shall consider the following criteria in approving or rejecting the plans submitted to it:

(i) The harmony of the external design, color, and appearance of the proposal in relation to the surrounding neighborhood.

(ii) The location of the proposal on the Lot in regard to slopes, soil conditions, existing trees and vegetation, roads and services, and existing buildings.

(iii) The compliance of the proposal with the Covenants contained in this Declaration.

Section 5.4 Procedure All plans for construction, alteration, improvement, painting or other exterior modification of homes, sheds, fences or other structures on an Owner's Lot shall first be submitted to the Architectural Control Committee for review. The Committee shall review the plans for compliance with the above Criteria as well as the covenants contained herein. The Architectural Control Committee shall approve or reject the plans submitted to it within thirty (30) days from the date of the submission of the plans to the Chairman of Committee unless the person submitting the plans consents to an extension of the time for a decision. If the Committee does not issue a decision within thirty (30) days from the date of the submission of the plans for the proposal, the plans shall be deemed to be approved. The Committee shall have the right to reject, for any reason whatsoever, any proposal which it decides is not suitable or desirable. The Committee's decision shall be in writing and if a proposal is not approved, the Committee shall have the right to approve a proposal subject to compliance with conditions established by the Committee. If an Owner disagrees with a rejection or conditional approval from the Committee, the Owner may submit a written request within fifteen (15) days of the date of such rejection or conditional approval for a meeting with the Committee. At such meeting, the Owner may provide the reasons for such disagreement and the Committee shall then, within thirty (30) days thereafter, either confirm or amend its prior decision by written notice to the Owner.

Section 5.5 No Liability The members of the Architectural Control Committee shall have no personal liability for any action by or decision of the Committee. By acceptance of a deed to any property within the Plats, the Owner of that property agrees and covenants not to maintain any action against any member of the Architectural Control Committee which seeks to hold that member personally or individually liable for damages relating to or caused by any action of or decision by the Committee.

Section 5.6 Design Review Committee The Board of Directors APPLE TREE shall also have the right to appoint a Design Review Committee to fulfill some or all of the continuing obligations imposed upon the Architectural Control Committee by the terms of this Declaration. The Design Review Committee shall be composed of three members who shall be Owners or residents of APPLE TREE. The Design Review Committee shall have the powers and authority granted to the Architectural Control Committee under the terms of this Declaration as further specified by the Board of Directors.

ARTICLE 6.

TERM, ADMENDMENTS, TERMINATION

Section 6.1 Term, Method of Termination This Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force and effect for a term of twenty-five (25) years from the date this Declaration is recorded. From and after said date, this Declaration, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Declaration by ninety percent (90%) of the Lot Owners. If the necessary votes are obtained, then a certificate of Termination shall be recorded in the Snohomish County Records. Thereupon, this Declaration shall have no further force and effect.

Section 6.2 Amendments by Association This Declaration may be amended by obtaining approval of seventy percent (70%) of the total Lot Owners. Any amendment to this Declaration shall be recorded with the Snohomish County Auditor as a Certificate of Amendment.

Section 6.3 Amendments to Include Additional Property This Amended and Restated Declaration shall later be amended to include the additional adjacent plat known as Apple Tree Division8, including residential lots and common areas. Upon such an amendment, Owners of lots in said additional plat shall become Members of the Association.

ARTICLE 7.

MISCELLANEOUS

Section 7.1 Severability Any determination by any Court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity or enforcement of any of the other provisions hereof.

Section 7.2 Rule Against Perpetuities If any interest purported to be created by this Declaration is challenged under the Rule Against Perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest.

Section 7.3 References to the Covenants and Deeds Deeds to an instruments affecting any Lot or any part of APPLE TREE may condition the covenants herein set forth by reference to this Declaration, but regardless of whether any such reference is made in any deed of instrument, each and all of the covenants shall be binding upon the grantee-owner or other person claiming through any instrument, each and all of the

covenants shall be binding upon the grantee-owner or other person claiming through any instrument and his heirs, executors, administrators, successors and assigns.

Section 7.4 Gender and Number Whenever the context of this Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders, words used in the neuter gender shall include the masculine and feminine gender, words in the singular shall include the plural, and words in the plural shall include the singular.

Section 7.5 Captions and titles All captions, titles or headings of the Articles and Sections in this Declaration are for purposes of reference and convenience only, and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

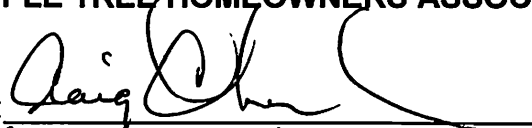
Section 7.6 Notices Notice of any meeting , action, or proposed action to be given to any Owner shall be deemed satisfied if notice of such action or meeting is given in person or by regular mail, postage paid, not less than three (3) days prior to the date such notice is effective.

Section 7.7 Enforcement – Attorney's Fees Neither the Association nor the Board shall have any obligation to enforce or seek the enforcement of these covenants, nor shall either have any liability for the enforcement or non-enforcement of these covenants. The Association, in its absolute discretion, by its Board of Directors, and any Owners, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, liens and charges now or hereafter imposed in accordance with this Declaration, as it may be amended from time to time. All costs incurred in such enforcement, including, without limitation, reasonable attorney's fees, shall be recoverable from the person in violation of any such obligation.

IN WITNESS WHEREOF, the undersigned have hereunder affixed their signatures.

DATED this 24th day of JUNE, 2010.

APPLE TREE HOMEOWNERS ASSOCIATION

By: 
CRIG CHARLTON, President

CERTIFICATE OF SECRETARY

THE UNDERSIGNED hereby certifies that he/she is the Secretary of APPLE TREE HOMEOWNERS ASSOCIATION, and that the foregoing-described Restated Declaration has been approved by a majority of the Board of Directors.

APPLE TREE HOMEOWNERS ASSOCIATION

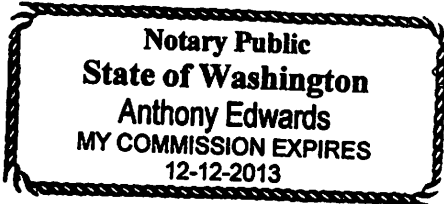
By: *[Signature]*

Anthony Edwards, Secretary

STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that Craig Charlton is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledge it as the **President** of APPLE TREE HOMEOWNERS ASSOCIATION to be the free and voluntary at of such party for the uses and purposes mentioned in the instrument.

DATED 24 June 2010.

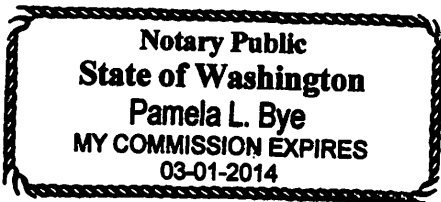


[Signature]
Type/Print Name: Anthony Edwards
NOTARY PUBLIC in and for the State of
Washington, residing at Snohomish WA
My Commission Expires: 12-12-2013

STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that Anthony Edwards is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledge it as the **Secretary** of APPLE TREE HOMEOWNERS ASSOCIATION to be the free and voluntary at of such party for the uses and purposes mentioned in the instrument.

DATED June 24, 2010.



[Signature]
Type/Print Name: Pamela L. Bye
NOTARY PUBLIC in and for the State of
Washington, residing at Shoreline WA
My Commission Expires: 03-01-2014