

Exhibit "B"

VRA CC&Rs Retyped 4/94

COVENANTS AND RESTRICTIONS VALHALLA DIVISION NO. 1

THIS INDENTURE AND DECLARATION OF COVENANTS running with the land made this 4th day of December, 1962 by VALHALLA, INCORPORATED, a Washington corporation, all the owners of VALHALLA DIVISION NO. 1, according to plat thereof recorded in Volume 71 of plats, pages 66 and 67, records of King County, Washington.

WHEREAS, the above named parties intend that protective covenants and restrictions be imposed upon the aforesaid lands for the benefit of the present and future owners thereof, it is the purpose of the above named parties that restrictive covenants be established of record and be imposed on said premises, NOW, THEREFORE,

The above named persons and undersigned do make, declare and establish the following restrictions and covenants, which shall run with the premises hereinbefore described and which shall be binding upon the parties affixing their signatures hereto, their heirs, successors and assigns, to-wit:

1. All the lots and tracts contained in the premises described hereinabove shall be used exclusively for single family residence purposes. No building or buildings shall be erected on any of said properties, except a single, detached, private dwelling house, together with appurtenant garage suitable for single family use. None of the tracts shall be subdivided or partitioned in any manner to provide a dwelling site, unless the same shall comprise an area of not less than 9600 square feet; provided, however, that portions of one or more tracts may be employed to comprise the total area for one dwelling.

2. No dwelling house shall be built or erected unless the premises upon which it is proposed to be built or erected comprise an area of not less than 9600 square feet and at least three sides each of which shall extend a linear distance of at least eighty (80) feet.

3. No portion of such dwelling house or appurtenant structure thereto shall be erected or maintained within five (5) feet of any side line of a lot or tract in said plat, except for corner lots which shall have a minimum side lot set back of fifteen (15) feet where the side lot is adjacent to a street, nor nearer than fifteen (15) feet to any rear lot line, unless the premises Covenants & Restrict. pg. 1 Exhibit "B" VRA CC&Rs Retyped 4/94 are so bounded or the contour of the ground is such that it is impracticable to conform to such distance; and the Valhalla Maintenance and Recreation Commission, Inc., to be sole judge of exception. The frontage location and exterior design of any such structure shall be approved by the Board of Trustees of the Valhalla Maintenance and Recreation Commission, Inc., a Washington corporation, before construction shall be started thereon. All structures shall be located a distance of not less than twenty-five (25) feet from the front lot line of any single lot or tract, provided, however, that the Board of Trustees of the Valhalla Maintenance and Recreation Commission, Inc., may waive this requirement under such circumstances as it may deem appropriate. No fence, boundary wall, pools, or other structure shall be erected on any of the said properties until the plans therefor have been approved in writing by the Board of Trustees of the Valhalla Maintenance Commission, nor shall any alterations thereof or additions to the same be made until such plans shall have been approved in writing by said Board. All costs incurred in enforcement of these covenants shall be at the expense of the violator or violators.

4. No lines or wires for the transmission of current or for telephone use shall be constructed, placed or permitted to be placed upon any residential lot outside the buildings thereof unless the same shall be underground or in conduit attached to the building.

5. No dwelling house or residence shall be constructed which contains less than 1600 square feet in area, exclusive of appurtenant garage, porches, breeze ways, patios, and other appurtenances, provided, however, fifty percent (50%) of the basement area, if it is finished, of two-level homes may be included in computing the minimum area of 1600 square feet, if such basement area be employed as living area.

6. No live poultry or animals, other than household pets shall at any time be kept on said property or properties. No animals or poultry shall be kept, bred, or maintained for commercial purposes.

7. All buildings and structures, including walls, fences, and swimming pools, mail boxes, etc., to be erected in Valhalla shall be approved by the Board of Trustees, Valhalla Maintenance and Recreation Commission, Inc. Trash, garbage and other waste shall be kept in sanitary containers and located so as not to be visible from the street. Complete plans and specifications of Covenants & Restrict. pg. 2 Exhibit "B" VRA CC&Rs Retyped 4/94 all proposed buildings, structures, and exterior alterations, together with detailed plans showing proposed location and elevations above a known bench mark of the same on the particular building site, shall be submitted to the Board of Trustees, Valhalla Maintenance and Recreation Commission, Inc., before construction or alteration is started, and such construction or alterations shall not be started until written approval thereof is given by the Board of Trustees, Valhalla Maintenance and Recreation Commission, Inc.

8. As to all improvements, construction and alterations in Valhalla, the Board of Trustees of the Valhalla Maintenance

nance and Recreation Commission, Inc., shall have the right to refuse to approve any design, plan or color for such improvements, construction or alterations which is not suitable or desirable, in the Board of Trustees of the Valhalla Maintenance and Recreation Commission, Inc.'s opinion, for any reason, aesthetic or otherwise; and in so passing upon such design, the Board of Trustees of the Valhalla Maintenance and Recreation Commission Inc., shall have the right to take into consideration the suitability of the proposed building or other structure, and the material of which it is to be built, and the exterior color scheme, to the site upon which it is proposed to erect the same, the harmony thereof with the surroundings, and the effect of the building or other structure or alterations therein as planned on the outlook of the adjacent or neighboring property, and the effect or impairment that said structures will have on the view of surrounding building sites and any and all other factors which, in the Board of Trustees of Valhalla Maintenance and Recreation Commission, Inc.'s opinion, shall affect the desirability or suitability of such proposed structure, improvements, or alterations. No home shall exceed more than one story above ground level when it will unduly interfere with another lot's view.

9. Any dwelling or structure erected or placed on any residential lot in this subdivision shall be complete as to external appearance, including finished painting, within eight (8) months after date of commencement of construction and shall be connected to an acceptable sewage disposal facility.

10. The protective covenants and restrictions contained herein may be waived or changed by the Board of Trustees of the Valhalla Maintenance and Recreation Commission, Inc., when land contours or other circumstances would cause an undue hardship. The Board of Trustees of the Valhalla Maintenance and Recreation Covenants & Restrict. pg. 3 Exhibit "B" VRA CC&Rs Retyped 4/94 Commission, Inc., shall be the sole judge of the necessity for waiving or changing the protective covenants and restrictions.

11. Ownership. No lot or any part thereof in said subdivision, shall be sold, conveyed or leased to anyone other than a member in good standing of the Valhalla Maintenance and Recreation Commission, Inc. It is a condition of the estate conveyed that the grantee of any deed shall not rent, lease, give, convey, or in any other manner transfer the property conveyed to him to any person not at the time of such transfer, lease, gift of conveyance, a member of the Valhalla Maintenance and Recreation Commission, Inc.; the purpose of this condition being to insure to all grantees and all other members of Valhalla Maintenance and Recreation Commission, Inc., that their properties in said subdivision or in adjoining subdivision hereafter developed by Valhalla, Incorporated, shall at all times be occupied by a colony of congenial persons, and further, for the purpose of benefiting adjoining lands owned by Valhalla, Incorporated, which Valhalla Incorporated intends to develop under the same general plan. It is specifically understood and agreed that similar conditions will be made by Valhalla, Incorporated with respect to such adjoining lands presently owned by Valhalla, Incorporated, as the same may hereafter be developed. All grantees of lots in the subdivision agree for themselves, their heirs, devisees, personal representatives and assigns that in the event proceedings are instituted to foreclose any mortgage on any such lot, Valhalla, Incorporated shall have the right to purchase said property at the foreclosure sale; and, in such case, in the absence of redemption by the mortgagor within the time provided by law, Valhalla, Incorporated shall take and have title to such property free from any claim or right of the mortgagor and every person or concern claimed by, through or under the mortgagor. Nothing contained herein shall preclude a mortgage institution, bank, savings and loan association, insurance company or other recognized lending institution from owning and holding a mortgage on any lot or property in the subdivision, and any such mortgage holder shall have an unrestricted absolute right to take title to the property in settlement and satisfaction of said mortgage, or to foreclose the mortgage in accordance with the terms thereof and the laws of the State of Washington and to bid upon said property at the foreclosure sale. Should Valhalla, Incorporated, or Valhalla Maintenance and Recreation Commission, Inc., or any member thereof, individually or collectively, fail to purchase said mortgage and the indebtedness secured thereby from the mortgagee for the amount due thereon, together with any costs incident Covenants & Restrict. pg. 4 Exhibit "B" VRA CC&Rs Retyped 4/94 Covenants & Restrict. pg. 5 thereto, then in such case the purchaser taking title at the foreclosure sale, or the mortgagee taking title in lieu of foreclosure, may acquire said property and occupy and sell and resell the same without complying with the restrictions limiting the ownership, use and occupancy of said property to members of the Valhalla Maintenance and Recreation Commission, Inc., subject only to existing rights of redemption, if any. Any deed or conveyance directly or indirectly, or any will, judicial proceedings, or transfer by operation of law, in violation of this covenant, restriction or limitation shall be void and of no effect.

12. Invalidation of any one of these covenants and/or restrictions, by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

AMENDMENT

13. No trees or shrubs or any type other than those existing at the time these restrictive covenants are filed, shall be allowed to grow in height to a point where they shall noticeably and unreasonably interfere with a view from another residence. The Board shall be the sole judge in deciding whether there has been such unreasonable interference.

Recorded under Auditors Files No. 5350082 (Subdivision Ia) No. 5525212 (Subdivision Ib) and No. 8101190464 (Amendment)