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KING COUNTY, WA

SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR ISSAQUAH HIGHLANDS RESIDENTIAL PROPERTY

Grantor: GRAND-GLACIER, LLC

HOWLAND DEVELOPMENT ISSAQUAH LLC

Grantee: ISSAQUAH HIGHLANDS PLAT

THE PUBLIC

Legal Description

VOL. 254 OF PLATS, PP. 95-97

(abbreviated):

☑ Additional on : Exhibit A

Assessor's Tax Parcel

Nos.:

9895000100, 9895000090, 9895000080, 9895000070,

LOTS 1-10 and TRACTS A-C, INCLUSIVE, OF PLAT OF ZHOMES,

9895000060, 9895000050, 9895000040, 9895000030,

9895000020, 9895000010, 9895000110, 9895000120,

9895000130

SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR ISSAQUAH HIGHLANDS RESIDENTIAL PROPERTY

THIS SUPPLEMENTAL DECLARATION is dated for reference purposes November 29, 2011, with regard to certain property within the Issaquah Highlands Residential Properties referred to herein as the zHome Neighborhood. This Supplemental Declaration is made pursuant to and in accordance with the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Issaquah Highlands Residential Properties effective July 1, 2011, and recorded under King County Recording No. 20110701000804, and as it may be subsequently amended (the "**Residential Declaration**").

RECITALS

- **A.** Pursuant to the terms of Sections 6.4 and 9.3 of the Residential Declaration, Declarant may, with the consent of the Owner thereof, impose additional covenants and easements on any portion of the property submitted to the Residential Declaration. The Supplemental Declaration may include covenants obligating the Issaquah Highlands Community Association (the "**Residential Association**") to maintain and insure certain property subject to the Supplemental Declaration as well as authorizing the Residential Association to recover its costs through Neighborhood Assessments.
- **B.** The property described on <u>EXHIBIT A</u> of this Supplemental Declaration (the "**zHome Neighborhood**") is a portion of the property currently subject to the Residential Declaration. The term "**Neighborhood**" as used in this Supplemental Declaration defines the area for special services and provisions stated herein. The term "**Plat**" as used in this Supplemental Declaration means the plat of the Neighborhood as described on <u>EXHIBIT A</u>.
- **C.** Howland Development Issaquah LLC, a Washington limited liability company, is the owner and developer ("**Builder**") of the zHome Neighborhood and desires Declarant to impose upon the zHome Neighborhood additional covenants and easements as set forth herein.

NOW, THEREFORE, pursuant to the powers retained by Declarant under the Residential Declaration, Declarant hereby subjects the real property described on EXHIBIT A hereof to the provisions of this Supplemental Declaration, which shall apply to such property in addition to the provisions of the Residential Declaration. Such property shall be sold, transferred, used, conveyed, occupied, and mortgaged or otherwise encumbered pursuant to the provisions of this Supplemental Declaration and the Residential Declaration, both of which shall run with the title to such property and shall be binding upon all persons having any right, title, or any interest in such property, their respective heirs, legal representatives, successors, successors-in-title, and assigns. The provisions of this Supplemental Declaration shall be binding upon the Issaquah Highlands Community Association in accordance with the terms of the Residential Declaration, subject to the terms provided herein.

ARTICLE 1 GOVERNING DOCUMENTS

- **1.1. Definitions.** The definitions set forth in the Residential Declaration are incorporated herein by reference.
- **1.2. Conflicts.** In the event of a conflict between this Supplemental Declaration and the Residential Declaration, the provisions of Section 20.3 of the Residential Declaration shall govern such conflict.

ARTICLE 2 NEIGHBORHOOD DESIGNATION and NEIGHBORHOOD COMMITTEE

Pursuant to Section 6.4(a) [of the Residential Declaration, that portion of the Issaquah Highlands Residential Property more particularly described on the attached <u>EXHIBIT A</u> is hereby designated as the "zHome Neighborhood." As authorized by Section 6.5 of the Bylaws, a Neighborhood Committee shall be established for the zHome Neighborhood by election of the Owners of the zHome Neighborhood or alternatively by appointment by the Board of Directors of the Residential Association ("Board").

ARTICLE 3 ADDITIONAL COVENANTS APPLICABLE TO ZHOME NEIGHBORHOOD

- **3.1. Maintenance Responsibilities.** Pursuant to the authority granted in Section 5.2 and Section 7.2(b) of the Residential Declaration, the Residential Association shall be responsible for performing, or causing to be performed, on behalf of the Owners of the zHome Neighborhood, the following:
- (a) maintenance, including, mowing, fertilizing, watering, pruning, and replacing of, and controlling disease and insects on, as needed, all lawns and landscaping installed as part of the initial construction of the zHome Neighborhood, and replacements thereof, following Builder's initial one-year maintenance period thereof;
- (b) maintenance, including, mowing, fertilizing; watering, pruning and replacing of, and controlling disease and insects on, as needed, all lawns and landscaping of any property adjacent to the zHome Neighborhood for which the Owners of the zHome Neighborhood would otherwise be responsible pursuant to Sections 5.2 and 5.3 of the Residential Declaration;
- (c) the following maintenance of improvements erected or installed by a Builder as part of the original construction of the zHome Neighborhood Units, and replacements thereof (but excluding any replacements needed due to defects in the original construction of the zHome Neighborhood Units; the zHome Owners and not the Residential Association shall be responsible for pursuing against the Builder any construction defect claims and remedial action relating to the original construction of the zHome Neighborhood Units):

- (i) the exterior facade of the improvements;
- (ii) painting (including staining) of all exterior painted portions of the improvements, inc1uding any garage, garage door, exterior doors, shutters, fascia on the improvements in accordance with the specifications attached hereto as <u>EXHIBIT B</u>, and any fence erected by Builder along the zHome Neighborhood boundaries, or replacements thereof ("**Boundary Fences**");
 - (iii) caulking of the exterior portions of all windows and doors;
- (iv) repair and/or replacement, as necessary, of the roofs (including shingles and roof decking) of the improvements, including the roofs of any porches built as part of the original construction of the improvements or replacements thereof;
- (v) maintenance, repair and replacement, as necessary, of all side sewers connecting zHome Neighborhood Units with public sewer lines;
- (vi) maintenance, repair and replacement, as necessary, of all residential water lines connecting zHome Neighborhood Units with residential water lines;
- (vii) cleaning, repair and replacement of rainwater harvesting cisterns and associated gutters and downspouts in accordance with the specifications attached hereto as EXHIBIT D;
- (viii) pressure cleaning, repair, and replacement of driveways, parking areas and sidewalks;
- (ix) maintenance in accordance with the specifications attached hereto as <u>EXHIBIT D</u>, and repair and replacement, as necessary, of pervious concrete surfaces installed as part of the original construction of the zHome Neighborhood;
- (x) termite treatment of all exterior walls and foundations of the improvements; provided, however, that the Residential Association shall not be liable if such treatment proves to be ineffective
- (d) repair and replacement, as necessary, of any Boundary Fences;
- (e) operation, maintenance, repair and replacement, as necessary, of all irrigation equipment (including, without limitation, any sprinklers pumps, wells, water lines and time clocks, wherever located) serving the zHome Neighborhood and property adjacent to the zHome Neighborhood for which the Owners of the zHome Neighborhood would otherwise be responsible pursuant to the Residential Declaration, except that the Residential Association shall

have no responsibility for any sprinklers or other irrigation equipment not installed as part of Builder's initial construction of the zHome Neighborhood;

- (f) operation, maintenance, repair and replacement, as necessary of the geothermal heating/cooling plant serving the zHome Neighborhood and all related equipment including without limitation pumps, lines, controlling equipment in accordance with the specifications attached hereto as EXHIBIT E;
- (g) operation, maintenance, repair and replacement, as necessary of the photovoltaic solar electric facilities serving the zHome Neighborhood and all related equipment including without limitation panels, transmission lines and controlling equipment in accordance with the specifications attached hereto as <u>EXHIBIT F</u>;
- (h) maintenance, repair and replacement, as necessary, of the electric vehicle charging stations within the zHome Neighborhood (unless the City of Issaquah performs such work);
- (i) maintenance, repair and replacement, as necessary, of all street and walkway lighting installed in or for all Tracts and the pedestrian easements described on the Plat;
- (j) maintenance, repair and re-paving and/or replacement, as necessary, of all roads, alleys, driveways, sidewalks, trails, curbs, plazas and related hard surfaces within (i) all Tracts within the zHome Neighborhood, and (ii) the public and private access and utility easements described in Easement Provisions 5 through 8, inclusive, of the Plat; and
- (k) contracting for and provision of garbage disposal and recycling services for zHome Neighborhood, collection points for such services to be established by Builder and the Residential Association within any Tract or easement area available for that purpose.

The Residential Association shall not be responsible for any maintenance or repairs to any chimney, fireplace, window or door (other than caulking under subsection (c)(iii) above), including garage doors (other than painting as provided above), anything contained within any dwelling or garage, or any landscaping, improvements or modifications added or made to individual yard and garden area of any Unit within the zHome Neighborhood (*i.e.* any landscaping or improvements not required as part of the ARC-approved plans for the zHome Units).

Maintenance of all other portions of the zHome Neighborhood, including any landscaping or improvements installed by the Owners or occupants of any Unit within the zHome Neighborhood, shall be the responsibility of the respective Owners, as provided in Section 5.2 of the Residential Declaration.

All maintenance within the zHome Neighborhood shall be performed in a manner and on a schedule consistent with the Community-Wide Standard.

Notwithstanding the foregoing, the Residential Association's responsibilities under this Section 3.1 shall not commence with respect to a particular Unit within the zHome Neighborhood until the requirements of Section 3.2 below have been satisfied, and then subject to satisfaction of the Builder's warranty obligations. Further, notwithstanding any other provision of this Supplemental Declaration, the Board, upon at least three (3) month's advance notice to the zHome Neighborhood Owners, may elect to have the Residential Association discontinue some or all of the maintenance set forth in Section 3.1, and thereafter all Owners collectively (through the Neighborhood Committee as agent for all Owners or other method that binds all Owners) shall contract with a third party for maintenance of the systems or services described in Sections 3.1(c)(vii), 3.1(c)(ix), 3.1(d), 3.1(e), 3.1(f), and 3.1(q), together with any other maintenance obligations described in Section 3.1 that the Neighborhood Committee or the Board reasonably determines to be appropriate. Any maintenance obligations that are not performed collectively by the Owners under the preceding sentence shall, upon written notice to the Owners by the Neighborhood Committee or the Board, be the individual responsibility of From and after the date the Residential Association with respect to the Owner's Unit. discontinues its maintenance, the Residential Association shall have no further responsibility or liability to the Owners or any other party for such maintenance. Notwithstanding the Residential Association's discontinuance of maintenance under this Section, the Residential Association retains the authority for and shall continue to provide financial and management oversight to the zHomes Neighborhood, including but not limited to the accounting for Neighborhood Expenses, Neighborhood budget approval, capital reserve contributions and calculations, and the levy and enforcement of Neighborhood Assessments.

- **3.2. Completion; Warranty.** Notwithstanding anything to the contrary in any contract or agreement between the Builder and any third party for purchase of a Unit in the zHome Neighborhood, Builder shall not convey any such Unit until:
- (a) completion of construction of the dwelling and all related improvements within the Unit;
- (b) issuance of a certificate of occupancy or other approval for such dwelling and related improvements by the City of Issaquah; and
- (c) issuance of a limited warranty by the Builder for the benefit of the Owner of the Unit and the Residential Association warranting the improvements which are to be the Residential Association's maintenance responsibility under Section 3.1 to be free from defects in materials and/or workmanship for a period of one (1) year from the date of conveyance by the Builder, or such period as maybe provided by any applicable manufacturer's warranty, whichever is longer. Such limited warranty shall provide that if the Builder receives written notice of covered defects within the applicable warranty period, the Builder shall promptly take such action as is necessary to cure the defect, including repairing or replacing any defective components, if necessary.
 - 3.3. Insurance for zHome Neighborhood Units.

- **3.3.1 Property Coverage.** The Residential Association shall have no obligation to provide any insurance for any portion of individual Units in the zHome Neighborhood. The Residential Association may, in its sole discretion, elect to extend coverage under the Residential Association's master property program of insurance with a proportionate allocation of premium and subject to Section 7.3 of the Residential Declaration. Further, if the Residential Association elects to cover Units with its master property program, then the Residential Association at any time thereafter, upon at least sixty (60) days notice, can terminate insurance coverage for individual Units. Except for any time period when the Residential Association is maintaining property insurance for Units, each Owner shall be responsible of maintaining a blanket "all risk" "special form" policy of casualty property insurance with respect to such Owner's Unit and all improvements within such Unit. The casualty property insurance shall cover loss or damage by fire and other hazards commonly insured under an "all risk" a "special form" policy, if reasonably available, including vandalism and malicious mischief, and shall be in amounts sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. If allrisk special form coverage is not reasonably available, each Owner shall obtain, at a minimum, a policy of fire and extended coverage insurance covering the full replacement cost of repair or reconstruction in the event of such damage or destruction. Except for any time periods when the Residential Association elects to cover Units with its master property program, the Residential Association shall have no responsibility or liability to the Owners or any other party to maintain such insurance or for any casualty that would be covered by such insurance.
- **3.3.2 Liability Coverage.** Each Owner shall be obligated to obtain and maintain at all times insurance covering consequential damages to any other Unit or the Common Area due to occurrences originating within the Owner's Unit caused by the negligence of the Owner, the failure of the Owner to maintain the Unit, and any other casualty within the Unit which causes damage to the Units or the Common Area, to the extent such coverage is not provided by policies maintained by the Residential Association or to the extent insurable losses may result in the Owner's liability for payment of deductibles under the Residential Association's policies. Such insurance policy or policies shall name the Residential Association as an additional insured.
- **3.3.3 Evidence of Coverage.** Each Owner of a Unit within the ZHome Neighborhood shall submit to the Residential Association, with the first payment of the annual Base Assessment for such Unit and within 10 days of any written request from the Board, a certificate or certificates evidencing that all insurance coverage which the owner is obligated to provide under the Residential Declaration and this Supplemental Declaration is in effect. In addition, if the Board so requests, each Owner shall file with the Residential Association a copy of the individual policy or policies covering his or her Unit. Each Owner shall promptly notify the Board in writing in the event such policy on the Owner's Unit is canceled.
- **3.3.4 Failure to Maintain Insurance.** In the event that an Owner fails to obtain or maintain any insurance that the Owner is required to obtain under the Residential Declaration or hereunder, the Residential Association may, but shall not be obligated to, obtain such insurance on behalf of the Owner and assess the costs thereof to the Owner and the Owner's Unit as a Specific Assessment pursuant to Section 8.5 of the Residential Declaration.

3.4. Casualty Losses.

3.4.1 In General. Regardless of whether the insurance on a Unit within the zHome Neighborhood is obtained by the Residential Association or the Owners, in the event of a casualty loss, the Residential Association shall be entitled to file a claim against such insurance for the cost of any repair or reconstruction to the Units and improvements thereon which is the Residential Association's responsibility, and the Owner shall pay the amount of any deductible and shall be responsible for any deficiency in the insurance proceeds. The Residential Association shall be entitled to adjust with the insurance provider the amount of any proceeds payable to the Residential Association and the Owner thereunder, based upon the amount necessary to enable the Owner and the Residential Association, each to repair and replace those portions of the Unit and improvements thereon which are their respective responsibilities.

3.4.2 Casualty Insured by Owners. In the event of damage or destruction by fire or other casualty to all or any portion of any improvement within a Unit insured or required to be insured by an Owner, such damage or destruction shall be repaired by the Owner within ninety (90) days after such damage or destruction or, where repairs cannot reasonably be completed within ninety (90) days, such repairs shall be commenced within such period and shall be diligently prosecuted to completion within a reasonable time thereafter. In the event the Owner refuses or fails to so repair or rebuild, the Residential Association may, but shall not be obligated to, perform such repair and reconstruction as it determines to be in the best interests of the zHome Neighborhood and may assess the cost of such repair and reconstruction as a Specific Assessment.

3.4.3 Insufficient Coverage. If an Owner is required to maintain property insurance on his or her Unit within the zHome Neighborhood and such insurance is insufficient, the Residential Association shall be relieved of its obligations to maintain, repair and replace damaged or destroyed portions of such Owner's Unit, to the extent of such insufficiency. Alternatively, the Residential Association may perform required repairs, whether the responsibility of the Residential Association or the Owner, and assess all costs to the Owner and the Owner's Unit as a Specific Assessment pursuant to Section 8.5 of the Residential Declaration.

3.5. Maintenance Costs. Notwithstanding any contrary provision in the Residential Declaration, the cost of all maintenance, repairs and replacements performed by the Residential Association hereunder, education and training of Residential Association staff or contractors for maintenance of the systems in the zHome Neighborhood, replacement reserves, and the cost of water and electricity used in connection with the Residential Association's landscaping obligations hereunder, shall be allocated among all of the zHome Neighborhood Units as a Neighborhood Assessment pursuant to Sections 5.3 and 8.2 of the Residential Declaration. Further, an individual Unit may be subject to a Specific Assessment where applicable under Section 8.5 of the Residential Declaration.

- **3.6. Owner's Responsibilities.** Except for the maintenance, repair or replacement responsibilities specifically undertaken by the Residential Association or by contracting with a third party pursuant to this Supplemental Declaration, each Owner within the zHome Neighborhood shall, at the Owner's sole cost and expense, undertake all other maintenance, repair or replacement relating the each Owner's Unit, including but not limited to the following:
- (a) maintain, repair and replace the Owner's Unit, any portions of the Unit or improvements therein not made subject to the maintenance, repair and replacement by the Association herein, and any private yard areas within the Unit as designated by the Declarant or the Association:
- (b) keep the interior and appurtenances in a clean and sanitary condition, free of rodents and pests, and in good order, condition and repair;
 - (c) replace any broken glass in windows or exterior doors of the Unit;
- (d) maintain, repair or replace any plumbing fixtures, water heaters, air conditioners, fans or heating equipment which serve the Owner's Unit;
- (e) maintain any landscaping or plantings within any deck, patio or porch area, as well as any landscaping or plantings installed by the Owner.
- Supplemental Systems. The Units are served by traditional, direct connections to water, sewer, electricity, but also enjoy the benefit of supplemental solar electric system, geothermal heating and cooling system and rainwater harvesting system located in and on the Units and Tracts ("Supplemental Systems"). The Owners and the Residential Association acknowledge and accept that the Supplemental Systems are integrated and must be maintained in good working condition in order for the Units to receive the supplemental services and benefits provided by the Supplemental Systems. So long as the Residential Association has not elected to discontinue providing to the Supplemental Systems as allowed under Section 3.1, the Residential Association shall make all repairs to Supplemental Systems promptly after the Residential Association learns from the Neighborhood Committee that at least 67% of the Owners have agreed to the need for such repairs. If the Residential Association fails to make such repairs within ten (10) days after the Neighborhood Committee's notice (except when the repairs require more than ten (10) days for performance and the Residential Association commences the repair within ten (10) days and diligently pursues the repair to completion), then the Owners collectively (through the Neighborhood Committee as agent for all Owners or other method that binds all Owners) may, at their option, undertake such repairs for the Supplemental Systems for all Units. The costs of such repairs undertaken by the Owners in the preceding sentence will be allocated among all Owners by the Residential Association. Notwithstanding the foregoing, in the event of an emergency, at least 67% of the Owners may give the Residential Association such shorter notice as is practicable under the circumstances, and if the Residential Association fails to make such repairs on an emergency basis, then the Owners may immediately undertake such repairs as provided above.

ADDITIONAL EASEMENTS APPLICABLE TO NEIGHBORHOOD

- 4.1. Maintenance Easement. The Residential Association shall have a perpetual, non-exclusive easement over the zHome Neighborhood for the purpose of performing its maintenance responsibilities hereunder and under the Residential Declaration, which easement may be exercised by the Residential Association, its officers, directors, employees, agents and contractors, and entry upon any Unit the zHome Neighborhood for such purpose shall not be deemed a trespass. If the Residential Association propose to enter the interior of a Unit, then it shall (a) provide at least three (3) days' notice (except in the event of an emergency), (b) minimize any interfere or disturbance in the Unit, and (c) repair and indemnify the Unit Owner from any damage caused by the entry of the Residential Association and its contractors and agents.
- **4.2. Cross-Drainage Easement.** Each Unit in the zHome Neighborhood shall be burdened with a perpetual, non-exclusive easement over that portion of the Unit which is not improved with structures, for the purpose of drainage of stormwater runoff from any portion of the Properties; provided, no Person shall alter the natural drainage of stormwater from any Unit in the zHome Neighborhood once construction of initial improvements has been completed so as to unreasonably increase the drainage of stormwater onto adjacent portions of the Properties without the consent of Owner(s) of affected property, the Board and the Declarant as long as it owns any property subject to the Residential Declaration.
- 4.3. Easement for Irrigation, Geothermal and Solar Equipment. The Residential Association and each Unit Owner shall each have a reciprocal perpetual, non-exclusive easement over, under and through all exterior portions of the zHome Neighborhood, for the purpose of operating, installing, maintaining, repairing; and replacing all irrigation, geothermal and solar equipment, systems and lines serving all or any portion of the zHome Neighborhood and/or property adjacent to the zHome neighborhood for which the Owners of the zHome Neighborhood would otherwise be responsible under Article 5 of the Residential Declaration. Each Owner acknowledges that the roof of his or her Unit may be utilized for the location of solar panels serving both his or her Unit and serving common improvements of the Neighborhood collectively, such as walkway lighting and geothermal system pumps. No Owner shall have any exclusive right to the power generated by the solar panels located on the roof of his or her Unit which are serving as power sources for the common improvements. Such panels shall be operated and maintained for the benefit of the zHome Neighborhood collectively with each Owner sharing equally the costs and benefits of those solar panels and systems.
- 4.4. Easements for Maintenance of Adjoining Structures. There shall be and is hereby imposed on each Unit an easement for reasonable ingress and egress by or on behalf of the Owner of any adjoining Unit when there is no other reasonable access alternative for the purpose of undertaking necessary repairs, maintenance or replacement of improvements on, to or in connection with such adjoining Owner's Unit and the utilities serving such Unit. Any adjoining Owner proposing to enter another Unit shall (a) provide at least three (3) days' notice (except in the event of an emergency), (b) minimize any interfere or disturbance in the Unit,

and (c) repair and indemnify the Unit Owner from any damage caused by the entry of the adjoining Owner and his/her contractors and agents.

- **4.5. Internal Easements for Utilities.** Certain electrical power wires, natural gas pipelines, cable wires, phone wires, water pipelines and plumbing pipelines which provide services to the Units may have been installed within the Units at locations which are not clearly identified on any map or plan. Such wires, pipes and lines may have been installed between the floor, ceiling joists and/or in the party walls in accordance with and in observation of building code requirements, but without regard to boundaries of ownership. There shall be and is hereby imposed on each Unit an easement for utility purposes over and across each Unit where such wire, pipe and/or line currently lies in favor of the Units and Tracts served by such wires, pipes and/or lines.
- **4.6. Parking Easements.** Private easements for parking, burdening Units 7 through 10 and Tract A (**Burdened Unit**"), and benefiting Units 1 through 6 (**Benefitted Unit**" or (**Benefitted Owner**"), were established and are generally described and depicted on the Plat and are depicted on <u>EXHIBIT G</u> attached hereto (**Parking Easement Area**"). As provided in <u>EXHIBIT G</u>, the Residential Association shall have the right to more specifically define the location of the respective Parking Easement Areas.

The owners, tenants, and/or occupants of the Benefitted Units shall have the right to park a vehicle within the unit assigned in the Plat without the payment of rent or other charges for use. No use or activity other than parking a vehicle and storage of personal items (excluding any hazardous, flammable, or toxic materials), is allowed in any Parking Easement Area without the express consent of the owner of the Burdened Unit. Each Benefitted Owner (or their tenant or other occupant using the parking easement) shall be responsible for the maintenance and continuous cleanliness (including sweeping and clean-up of oil or other leak) of that owner's respective Parking Easement Area located within each Burdened Unit. Each Benefitted Owner (or their tenant or other occupant using the parking easement) shall promptly repair any damage caused by that Owner's use of the Parking Easement Area. A Benefitted Owner may not rent or otherwise assign its right to use the Parking Easement Area to a third party who is not a tenant or occupant of the owner's Benefitted Unit or another Owner within the zHome Neighborhood. The Residential Association may establish from time to time reasonable rules for use of the Parking Easement Areas by the Benefitted Owners.

In consideration of the right to use the Parking Easement Area, each Benefitted Owner shall indemnify and hold harmless the Owner of the Burdened Unit within which that Owner's Parking Easement Area is located, as well as the Residential Association, from and against any and all claims, losses and liabilities resulting from injuries and/or damages that may be caused by the Benefitted Owner's negligence or intentional acts in connect with or arising from the Benefitted Owner's exercise of the rights to parking granted herein. However, no Benefitted Owner shall be responsible for any claims, losses or liabilities resulting from the negligence or intentional acts of the Owner of the Burdened Unit or the Residential Association.

4.7. Other Easements. This Supplemental Declaration, and the easement rights provided herein, shall not limit the easement rights otherwise reserved to Declarant or granted

to the Residential Association or any other Person under the Residential Declaration as applied to the zHome Neighborhood.

ARTICLE 5. PARTY WALLS

- **5.1. Party Walls.** Foundations, floors, beams, walls and other structural members of improvements that are built as part of the original construction, and are placed upon or straddle the dividing line between adjacent Units and actually support or protect adjacent improvements shall be regarded and treated as party walls. This Article shall govern the maintenance and all other obligations of Owners with respect to party walls.
- **5.1.1 Cost of Repair.** The cost of the repair and maintenance of a party wall shall be borne by the Owners sharing the party wall. If the need for any maintenance or repair work is caused through the willful or negligent act of an Owner or the Owner's family, guests or invitees, the cost of such maintenance or repairs shall be borne by that Owner alone.
- **5.1.2 Repair; Alternative.** Each Owner of a Unit with a party wall shall have the right, at the Owner's sole expense, to drill or cut into or otherwise gain access to, the interior of the party wall for the purpose of maintaining, repairing or restoring it and, upon the prior written consent of the Owner of the adjoining Unit, for the purpose of remodeling or altering the Unit or for other services or amenities subject to an obligation to restore the party wall to the same condition it was in immediately before such act, and to indemnify the Owner of the Unit adjoining the party wall for any damages caused thereby.
- **5.1.3 Consent of Adjoining Owner.** Interior decoration excepted, no Owner of a Unit with a party wall may make any changes to or alterations of the party wall without the prior written consent of the Owner of the Unit adjoining the party wall.
- **5.2. Encroachments**. Appurtenant to each Unit with a party wall located thereon shall be an easement over the adjoining Unit sharing the party wall for the purpose of accommodating any encroachment by buildings or structures on the Unit due to engineering errors, errors in original construction, or the selling or shifting of such buildings or structures. If any structure is partially or totally destroyed and then repaired and rebuilt substantially in accordance with the original plans and specifications, there shall also be appurtenant to the Unit an easement to accommodate minor encroachments by the successor structure from similar causes.
- **5.3. Default.** If the Owner (the "**Defaulting Owner**") of a Unit fails to perform its obligations under this Article including, without limitation the obligation to pay that Defaulting Owner's share of maintenance, repair or restoration of a party wall, the Owner of the adjoining Unit may perform such action or make such payment. The Defaulting Owner shall promptly reimburse the Owner for all costs and expenses (including attorneys' fees and costs) incurred with interest thereon at twelve percent (12%) per annum until paid and any amounts not so paid shall become a lien on the Unit of the Defaulting Owner in accordance with the provisions of Chapter 60.04 RCW.

ARTICLE 6 AMENDMENT

- By Declarant. Until conveyance of the first Unit within zHome Neighborhood to 6.1. a Person other than a Builder, Declarant may, subject to the approval rights of Builder, unilaterally amend this Supplemental Declaration for any purpose. Thereafter, Declarant may unilaterally amend this Supplemental Declaration if such amendment is necessary (a) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or iudicial determination; (b) to enable any reputable title insurance company to issue title insurance coverage on the Units; (c) to enable any institutional or governmental lender, purchaser, insurer or quarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure or guarantee mortgage loans on the Units; or (d) to satisfy the requirements of any local, state or federal governmental agency. However, any such amendment shall not adversely affect the title to any Unit unless the Owner shall consent in writing. Further, Declarant (with Builder's consent so long as Builder owns any Unit in the zHome Neighborhood) may unilaterally amend this Supplemental Declaration so long as any such amendment does not have a material adverse effect on the rights of any Owner hereunder or under the Residential Declaration, and for so long as Declarant can unilaterally amend the Residential Declaration pursuant to Section 19.1 of the Declaration.
- **6.2. By Owners.** Except as otherwise specifically provided above, this Supplemental Declaration may be amended only by the affirmative vote or written Consent, or any combination thereof, of Owners of 67% or more of the zHome Neighborhood and, so long as Builder owns any Unit in the zHome Neighborhood, the consent of Builder. In addition, the consent of the Board shall be required.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

6.3. Validity and Effective Date. No amendment may remove, revoke, or modify any right or privilege of Declarant without Declarant's written Consent (or the assignee of such light or privilege).

If an Owner consents to any amendment to this Supplemental Declaration, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Any amendment shall become effective upon Recording, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within one year of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Supplemental Declaration.

IN WITNESS WHEREOF, the Declarant and the Owner of the Property have executed this Supplemental Declaration on the day and year first written above.

DECLARANT:

GRAND-GLACER LLC,

a Washington limited liability company

By:

Port Blakely Communities, Inc., a Washington corporation, its Manager

Title: SR. Director of Legal + Cive Affeirs

OWNER:

HOWLAND DEVELOPMENT ISSAQUAH LLC,

a Washington limited liability company

By:

Name:

President / CEO Title:

STATE OF WASHINGTON

COUNTY OF KING

On this day personally appeared before me which to me known to be the script beguing of Port Blakely Communities, Inc. as Manager of Grand-Glacier, LLC, the limited liability company that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 29th day of November, 2011.



Printed Name Lyne the Charne NOTARY PUBLIC in and for the State of Washington, residing at Kirking And Machine State of Washington,

My Commission Expires 10-12-15

STATE OF WASHINGTON

COUNTY OF KING

On this day personally appe	eared before me	Akinobn Ohi	<u>ൂം</u> , to me
known to be the President	CEO	of Howland Develop	nent Issaquah, the
limited liability company that execu	ited the foregoi	ng instrument, and ac	knowledged such
instrument to be the free and volument	ntary act and de	eed of such limited lia	bility company, for the
uses and purposes therein mention	ied, and on oat	h stated that he was o	duly authorized to
execute such instrument.			

GIVEN UNDER MY HAND AND OFFICIAL SEAL this day of Mov., 2011.

Printed Name Jana Torbenson

NOTARY PUBLIC in and for the State of Washington, residing at Kirk land

My Commission Expires 9-19-12

JANA TORBENSON
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES
SEPTEMBER 19, 2012

EXHIBIT A

LEGAL DESCRIPTION OF ZHOME NEIGHBORHOOD

Tract A, zHome, according to the plat thereof recorded in Volume 254 of Plats at pages 095 through 097, inclusive, recorded under Recording No. 20100518000766, records of King County, Washington.

EXHIBIT B

BUILDING EXTERIOR MATERIAL SPECIFICATIONS

Product:

House Wrap

Manufacturer:

DuPont

Model No:

Tyvek Home Wrap

Supplier:

White Cap Construction Supply

Areas of Use:

Building paper product used underneath all siding products. Installed between exterior EPS

Foam and furring strips that siding was installed against.

Manufacturer:

Vaproshield

Model No:

Wallshield by Vaproshield

Supplier:

Dom Construction Inc

Areas of Use:

Building paper product used underneath all horizontal cedar rainscreen siding products. Installed

between Tyvek House Wrap and furring strips that siding was installed against.

Product:

Fiber Cement Siding

Manufacturer:

James Hardie

Model No:

5/16" Hardie Smooth Panel Siding

Model No:

5/16" Hardie 12" Lap Siding

Supplier:

Dom Construction Inc

Areas of Use:

All exterior fiber cement products.

Product:

Cedar Wood Siding

Model:

1"x 4" Tight Knot Cedar

Supplier:

Dom Construction Inc

Areas of Use:

All horizontal rainscreen areas.

Product:

Pre Painted Metal Flashing

Model:

18 gauge pre painted dark brown metal custom metal flashing

Supplier:

Dom Construction Inc

Areas of Use:

All fiber cement joints and exterior corners.

Product:

Sloped Roofing Shingle

Manufacturer:

Certainteed

Model No:

Landmark Plus 40 yr "Moire Black"

Supplier:

Legends Roofing Co. Inc

Areas of Use:

All sloped roofing areas.

Product:

Low Sloped Roofing Membrane

Manufacturer:

Single Ply Thermoplastic

Model No:

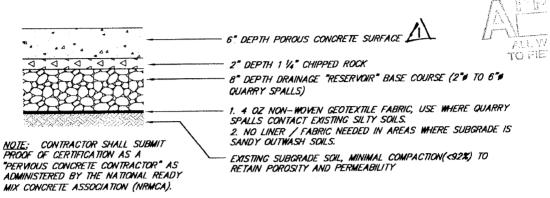
TPO 60 Mil

Supplier:

Star Roofing Areas of Use: All low sloped roofing membranes

EXHIBIT C

PERVIOUS CONCRETE SPECIFICATIONS



POROUS CONCRETE SECTION

NO SCALE

Installer:

Pervious Concrete Inc (PCI)

Concrete Supplier:

Cal Portland Cement Mix No: 0618VLF

EXHIBIT D

RAINWATER HARVESTING SYSTEM SPECIFICATIONS

QTY 2	Description of System Components 1000 Gallon Above Ground Tank, Collection of Water off of Sloped Roof Only, Supplying Water for Toilets, Clothes Washing, and Exterior Hose Bib for units 1 & 2. Each Unit has own cistern
QTY8	1700 Gallon Underground Tank, Collection of Water off of Sloped Roof Only, Supplying Water for Toilets, Clothes Washing, and Exterior Hose Bib for units 3-10. Each Unit has own cistern
QTY 10	Filtration: Leaf Filter, First Flush Diverter, 5 Micron, 1 Micron
QTY 10	Non Potable System: Submersable Ecos 1200 Pump, 22 Gallon Buffer Tank
QTY 10	Rain Cistern Leveler Device
Supplier:	Cistern - Norwesco
	System Components - Lakeside Heating and Plumbing

EXHIBIT E

GEOTHERMAL SYSTEM SPECIFICATIONS

System Components

Community Based Ground Loop System, 6000 If of HDPE Tubing in Ground, Community Based Pumping Facility

QTY 10 Heat Pump: Water Funace ENVISION Model No: NSW025B13HCC

QTY 10 Metalpres 120 Gallon Hot Water Tank

Geothermal Driller:

Cascade Drilling

Component Supplier:

NW Mechanical

System Installer:

NW Mechanical

EXHIBIT F

PHOTOVOLTAIC SOLAR SYSTEM SPECIFICATIONS

System Description

301 Solar World Sunmodule 240W Monocrystalline Module, Total 72.24 Kw, 301 Enphase Micro Inverter M190

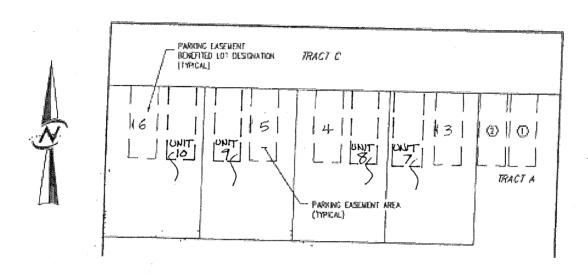
Enphase Enlighten Online Monitoring System for each home

Unit No:	System Size
1	4.80kW
2	5.52kW
3	6.72kW
4	6.72kW
5	7.20kW
6	7.20kW
7	7.20kW
8	7.20kW
9	7.20kW
10	7.20kW

PV Module Supplier: Misc System Components: System Installer: Platt Electric Northwest Wind & Solar Northwest Wind & Solar

EXHIBIT G

PARKING EASEMENT AREAS



The depiction of the Parking Easement Areas above are intended to represent approximate (and not exact) locations of the easements within the designated areas of the Burdened Units. The Residential Association shall have the right to more specifically define the location of the respective Parking Easement Areas.

As depicted above, allocation of the private parking easements are as follows:

Benefitted Unit	Location of Parking Easement
Unit 1	Tract A
Unit 2	Tract A
Unit 3	Unit 7
Unit 4	Unit 8
Unit 5	Unit 9
Unit 6	Unit 10