

Fernwood North Homeowner's Association  
Summary of Declarations of Covenants, Conditions and Restrictions  
(In Layman's Terms)

The Declarations were set forth by Wick Homes Inc. (Declarant), the developer company, on September 11, 1984. Declarant is the owner of Lots 1 through 70, Plat of Fernwood North. Declarant declares that all of Lots 1 through 70 will be sold and conveyed subject to the easements, restrictions, covenants and conditions set out below.

ARTICE I  
Definitions

Section 1. "Association" means "Fernwood North Homeowners Association.

Section 2. "Owner" means the records owner(s) of any Lot which is part of Lots 1 through 70.

Section 3. "Properties" means Lots 1 through 70, and any additions thereto.

Section 4. "Common Area" means property owned and maintained by the Association for the common use and enjoyment of the owners.

Section 5. "Lot" means any plot of land within the Properties (Lots 1 through 70) excluding the Common Areas.

Section 6. "Declarant" means Wick Homes, Inc., its successors and assigns, if those successors and assigns acquire more than one undeveloped Lot for development purposes.

ARTICE II  
Property Rights

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right to the Common Areas, subject to the following:

- (a) If a recreational facility is erected on a Common Area, the Association can charge reasonable admission and other fees for its use.
- (b) The Association can suspend the voting right of that Owner and also the right to use the recreational facility (i) for any period during which an Owner has an unpaid assessment against his Lot, and (ii) for not more than 60 days for breaking published rules and regulations.
- (c) The Association can dedicate/transfer all or part of the Common Areas to any public agency, authority or utility, purpose and conditions to be agreed to by the members. It won't be effective unless two-thirds of each class of members has signed a document to that effect.

Section 2. Delegation of Use. Owners can delegate their right to enjoy the Common Areas and facilities to their family members, tenants, or contract purchasers who reside on their property.

ARTICLE III  
Membership and Voting Rights

Section 1. Every Owner of a lot subject to assessment is a member of the Association. You cannot separate ownership from membership.

Section 2. There are two classes of voting membership: Class A – Owners with one vote for each Lot owned. If more than one person owns the Lot, they are all Owners, but get one vote amongst them per Lot owned. Class B – The Declarant is the only member and gets three votes for each Lot owned. The Class B membership will cease on January 31, 1989, or when total votes outstanding Class A membership equals total in Class B membership, whichever comes first.

ARTICLE IV  
Covenants for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Every Owner that purchases a Lot from the Declarant agrees to pay the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements. The annual and special assessments, including interest, costs and reasonable attorney's fees, will be a continuing lien upon each property the assessment is made against, and will also be the personal obligation of the Owner of the property at the time the assessment fell due. Responsibility for delinquent assessments will not pass to successors unless expressly agreed to by that successor.

Section 2. Purpose of Assessments. The assessments will be used exclusively to promote the recreation, health, safety, and welfare of the residents, and for improvement and maintenance of the Common Area, including the storm drainage facility on Tract "B".

Section 3. Maximum Annual Assessment. The maximum annual assessment will be Seventy-Five Dollars (\$75.00) per Lot until January 1<sup>st</sup> of the year immediately following the purchase of the first Lot.

- (a) After that initial January 1<sup>st</sup>, the maximum annual assessment may be increased not more than five percent (5%) without a vote of the membership.
- (b) From and after that initial January 1<sup>st</sup>, the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds the members voting in person or by proxy, at a meeting called for this purpose.
- (c) The Board of Directors may fix the assessment amount, but not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to annual assessments, in the event capital improvements need to be made to the Common Area (construction, reconstruction, repair or replacements), the Association may levy a special assessment applicable to that year only to defray, in whole or in part, the cost of such capital improvements, including any related fixtures and personal property, provided that the assessment has received the vote of two-thirds of the members voting in person or by proxy at a meeting called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. To call a meeting for purposes outlined in Sections 3 and 4 above, written notice shall be sent to all members not less than 30 days, nor more than 60 days, in advance. A quorum will be considered 60% of all votes of each class of membership, in person or by proxy. If the quorum is not present, then a second meeting can be called with the required quorum being 30% of all votes. This second meeting should not be held more than 60 days after the first meeting, and is subject to the same notice requirements.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be set at the same amount for all Lots and may be collected monthly.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The first annual assessment for each Lot will be adjusted according to the number of months remaining in the calendar year. The Board will fix the amount of the annual assessment at least thirty (30) days in advance and written notice of the annual assessment will be sent to every Owner. The due dates will be set by the Board. If requested, the Association will produce a certificate of payment on a specified Lot, signed by an officer of the Association.

Section 8. Effect of Nonpayment of Assessments. Remedies of the Association. Assessments not paid within thirty (30) days after the due date will accrue interest at the rate of 6% interest per annum from the due date forward. The Association may sue the Owner personally obligated to pay, or impose a lien against his property. No Owner may waive or otherwise escape payment the assessments by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. A lien imposed against an assessment is secondary to a lien imposed against a first mortgage. Sale or transfer of any Lot will not affect an assessment lien. However, if a Lot is sold or transferred by mortgage foreclosure or any proceeding in lieu of a mortgage foreclosure, payments that become due on an assessment lien prior to the sale or transfer are not required to be paid. No sale or transfer will such Lot from responsibility for any assessments becoming due thereafter or from the lien itself.

## ARTICLE V

### ARCHITECTURAL AND TREE CONTROL

Section 1. The Board (or an architectural control committee composed of three (3) or more people appointed by the Board) shall approve, in writing, all plans to add buildings, fences, walls or other structures to the property, including exterior additions or changes or alterations. Plans shall be submitted to the Board showing the nature, kind, shape, height, materials. If the Board or its designated committee, fails to approve or disapprove of submitted plans within thirty (30) days, approval will not be required.

Section 2. Easements. Easements allowing for installation and maintenance of utilities, native growth protection area, stream protection easement, and drainage facilities shall not be obstructed by structures, planting or other material which may damage or interfere with them. The easement areas, and all improvements in it will be maintained by the Owner of the Lots affected, except for improvements a public authority or utility company is responsible for.

An easement for entryway landscaping is reserved on Lots 2, 3 and 67. See full Declarations for the legal description of those easements. All landscape improvements to these easement areas will be maintained continuously by the Association.

Section 3. All noxious, offensive, annoying or nuisance activity shall be prohibited on all Lots.

Section 4. No structure of temporary nature (e.g., trailer, basement, tent, shack, garage, or barn) or other outbuildings, should be used as a temporary or permanent residence on any Lot.

Section 5. All dwellings or structures erected or placed on any Lot should be completed within nine (9) months of starting, including finish painting, except for reasons beyond the control of the Owner.

Section 6. No sign of any kind will be placed in public view on any Lot except one professional sign of not more than one square foot, one for sale or rent sign of not more than five feet, or contractor signs during the period of construction on the property.

Section 7. No livestock or poultry of any kind should be raised, bred or kept on any Lot, except dogs, cats, or other household pets, provided they are not kept, bred, etc. for any commercial purpose.

Section 8. No Lot can be used as a dumping ground for rubbish. All trash, garbage, or other waste should be kept in sanitary containers. Incinerators or other equipment for storage or disposal of waste will be kept in a clean and sanitary condition.

Section 9. No living native evergreen plant material should be removed from areas covered by a "Stream protection Easement". Vehicle access is allowed only for maintenance purposes.

Section 10. No oil drilling, development, refining, oil wells, tanks, tunnels, mineral excavations or shafts, quarrying or mining operations of any kind is permitted on any Lot. No derrick or other structure designed for boring for oil or natural gas shall be permitted upon any Lot.

Section 11. All fences, walls, hedges, or mass plantings (other than foundation planting) should not extend beyond the minimum setback line, and should not be higher than five feet above ground. The only exception is if the erection of a retaining wall is necessary, the top of which should not extend more than two feet above the finished grade at the back of the wall.

Section 12. No individual sewage disposal system shall be permitted on any Lot.

Section 13. No individual water supply system shall be permitted on any Lot.

Section. 14. Non-dangerous, native evergreen trees should not be disturbed as long as they don't interfere with the reasonable placement of a house, driveway, utilities, patio, decks, etc.

Section 15. In the event off-site improvements of Union Avenue are necessary, including left turn lanes, channelization and signalization of its intersection with NE 4<sup>th</sup> Street, Owners agree to participate, sign a petition in support of, and accept any future Local Improvement District (LIF) or city initiated proposal to pay their fair share of the cost of those improvements.

ARTICLE VI  
GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, has the right to enforce all restrictions, conditions, covenants, reservations, liens and charges imposed by this Declaration. Failure to enforce these Declarations does not waive the right to do so at a later.

Section 2. Severability. If a court deems any one of the covenants or restrictions to be invalid, all other covenants and restrictions shall remain in full force and effect.

Section 3. Amendment. These Declarations shall be in effect for a term of twenty (20) years from the date of recordation. They will automatically be extended for successive ten (10) year periods after that. Amendments during the first twenty (20) year period shall be signed by not less than ninety percent (90%) of the Owners. After that, not less than seventy-five (75%) of the Owners must sign any amendments. All amendments must be recorded.

Section 4. Annexation. Additional residential property and Common Area may be annexed to the Properties with consent of two-thirds (2/3) of each class of members.

Section 5. FHA/VA Approval. As long as Class B membership exists, prior approval from the Federal Housing Administration or the Veterans Administration will be needed for the following: Annexation of additional properties, dedication of Common Area, and amendment of these Declarations.

Signed September 11, 1984.

End of Summary.

Summary of Amendment of  
Declarations of Covenants, Conditions and Restrictions  
of the Plat of Fernwood North

Subject: Addition of Section 16 to Article V regarding parking and storage of recreational vehicles, water craft and utility trailers.

Section 16. Parking or storage of recreational vehicles, water craft, or utility trailers is not permitted within the subdivision unless (a) it is housed within a vented garage; or (b) is located behind a fenced side or rear yard (or sight-obscuring landscaping six (6) feet high) that is in compliance with set-back regulations. An exception is made for loading or unloading activities completed within a five (5) day period within any given two (2) week period.

“Recreational vehicle” means any wheeled, motorized vehicle manufactured, converted or altered to provide temporary self-contained living quarters for recreational, camping or travel uses, or has integral wheels for towing or can be mounted on a motorized vehicle and used for above purposes.

“Utility trailer” means any vehicle with integral wheels designed to be towed by a motorized vehicle to transport goods, property, equipment or livestock.

Signed March 30, 1990

End of Summary