

Return Address:

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Chelan Valley Housing Trust
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EMERSON VILLAGE PROTECTIVE COVENANTS CHELAN COUNTY, WASHINGTON

Grantor (Owner): Chelan Valley Housing Trust, a 501(c)(3) and Washington Nonprofit Corporation

Legal Description (abbreviated): Chelan Block 18 Lot 19 Lots 19 & 20 0.1900 acres. Additional legal on page 1.

Assessor's Tax Parcel ID#: 27 22 13 512 270

Chelan Valley Housing Trust, a 501(c)(3) and a Washington Nonprofit Corporation, is the owner of real property located in Chelan County, Washington, legally described as follows:

Lots 19 and 20, Block 18, Original Townsite of Chelan, Chelan County, Washington according to the Plat thereof recorded in Volume 1 of Plats, Page 31.

(the "Property") and hereby establishes the following protective covenants, conditions and restrictions for the Property, said covenants to run with the land.

PREAMBLE

1.1 The Chelan Valley Housing Trust (CVHT) is a 501(c)(3) and a Washington Nonprofit Corporation of which all Emerson Village lessees are members. It is organized

for charitable purposes including but not limited to the development and preservation of affordable housing and the creation of homeownership opportunities for low- and moderate-income residents and families in Chelan County. The legal documents from which CVHT derives its existence and manages its affairs are the CVHT Bylaws and Articles of Incorporation, the Ground Lease, and the Covenants, Conditions and Restrictions (CC&Rs) that apply to each CVHT housing development.

1.2 The owners of Emerson Village leaseholds (Lessees) intend to live together in harmony and with an attitude of tolerance, cooperation, and consideration for each other. Each agrees to communicate openly with other Lessees prior to making any changes that may significantly affect Emerson Village. They agree to be sensitive to each other and the environment and will endeavor to find solutions that work for everyone.

DEFINITIONS

2.1 The following words when used in this Declaration or any supplemental declarations, shall have the following meanings:

Annual Meeting shall mean the annual meeting of Emerson Village lessees.

Board of Directors shall mean the Directors of Chelan Valley Housing Trust that govern the actions and decisions of CVHT.

Common Areas shall mean the land, community entrances, structures, driveways, roads, paths, play areas, community gardens, sheds, fences, plantings, parking lots, pedestrian trails, drainage swales, retention basins, common-use buildings and/or other improvements held for common use by lessees at Emerson Village.

Community Review The process in which requests for exceptions to these CCRs or continuing conflicts at Emerson Village are presented for review by lessees with help from CVHT when requested.

Consensus Decision Making means the creative and dynamic method of reaching agreement between all lessees of Emerson Village. Instead of a vote, lessees seek consensus in finding solutions that everyone actively supports or at least can live with. In the event of conflict resolution, a vote may be necessary if a consensus cannot be reached. In the spirit of consensus, a vote won't be taken until the 2nd meeting over a conflict. A vote of 2 to 1, if taken, will carry if a quorum exists.

Declarant shall mean the Chelan Valley Housing Trust (CVHT)

Emerson Village means the property described in the plat recorded with Chelan County as Emerson Village. This plat is divided into five (5) separate leasehold lots, a parking lot, an alley, and common areas. Emerson Village is also the community of lessees of leaseholds on the above-described property.

Lessee means the person or persons who own the housing unit (also known as improvements) and has entered a CVHT Ground Lease Agreement.

Housing Unit means the unit purchased by the Lessee.

Leasehold means the leased land on which a housing unit sits. Each leasehold consists of a lot on which one housing unit is located which shares the common area. This is defined by the plat of Emerson Village.

Proxy means the person chosen by a lessee to vote on the lessee's behalf at a meeting that the lessee cannot attend. The Proxy may only vote on a pre-defined topic for a "yes" or "no" vote.

Quorum means the minimum number of Lessees that must be present at any meeting to make the proceedings of that meeting valid. The quorum for Emerson Village is 3 Lessees.

ADMINISTRATION

3.1 The covenants shall be administered by the Lessees of Emerson Village and Chelan Valley Housing Trust (CVHT.)

3.2 Lessees shall hold an Annual Meeting for Emerson Village at a time, date and location chosen by Lessees. A record of meeting decisions shall be submitted to CVHT.

3.3 The CVHT shall, upon request, participate in Emerson Village Lessee meetings and assist in resolving conflicts.

3.4 The CVHT will purchase and maintain adequate public liability insurance for the Common Areas and the land on which the leaseholds sit. This insurance is separate from individual Lessee's insurance coverage. Requirements for Lessee insurance coverage are defined in the CVHT Ground Lease Agreement.

GENERAL COVENANTS

4.1 Consensus Decision Making. Lessees agree to a consensus decision-making process (see 2.1 Definitions) for resolution of issues. To this end, Lessees shall stay informed and be active participants by attending meetings, reading meeting minutes, and/or communicating with fellow Emerson Village Lessees.

4.2 Conflict Resolution. In the event Lessees are in continuing conflict with one another on an issue or with these covenants, such conflicts shall be brought first before a meeting of Emerson Village Lessees with at least 3 Lessees represented in

person. The Lessee calling for the meeting shall give two weeks' notice in advance of the meeting. If, after such meetings the Lessees are unable to resolve the issue themselves, they may request help from CVHT. Appropriate documentation of these meetings shall be recorded.

4.3 Maintenance of Common Areas. All Lessees are responsible for sharing in the maintenance costs and labor of common areas, including snow removal. Alternative contributions to community efforts for those not physically able to help with labor shall be agreed upon among the lessees. If maintenance in accordance with these covenants is not upheld CVHT will notify Lessees of intent to cure and bill for labor and materials as needed.

4.4 Insurance. All Lessees will maintain Insurance in accordance with the Ground Lease. CVHT will maintain liability insurance on the real property in accordance with Ground Lease.

4.5 Offensive Activity. Wood burning fireplaces or stoves shall be prohibited within Emerson Village. Outdoor cooking facilities, such as barbeques, are allowed subject to City of Chelan ordinances.

4.6 Parking. Each Lessee is assigned one designated parking space. Undesignated parking spaces, if any, can be used on a first come basis. Only one operating car per Lessee can be in the undesignated parking at a time. No vehicle of any kind may be left in any parking space unless it is licensed and in operating condition. Vehicle owners shall be conscientious regarding the effect of their vehicle's noise and exhaust fumes. The parking of boats, RVs, storage containers, and commercial vehicles are not allowed in the parking lots or on the neighboring streets.

4.7 Animals. There is a limit of two (2) domesticated animals per Lessee. All dogs shall be supervised and under leash or voice control. Animals shall be kept healthy within the laws of the City of Chelan. Lessees and their guests are responsible for any damage or annoyance, including barking, their pets cause to other Lessees' property, person, or pets and will take action to resolve the issue regardless of being on site at the time of the incident. This includes cleaning up after their pets. Outdoor cats and dogs are required to be vaccinated for rabies and spayed/neutered.

4.8 Refuse. Emerson Village Lessees are encouraged to reduce waste, recycle, and reuse to the greatest extent possible. Trash and recycling containers as well as compost bins, if purchased by Lessees, shall be well maintained, as esthetically pleasing as possible, and shall not constitute an annoyance of health hazard.

4.9 Landscaping. Lessees shall be responsible for yard and landscape maintenance including that in Common Areas. Any modifications to Emerson Village landscaping require application and approval by CVHT.

4.10 Businesses. No store or business shall be carried on upon said premises or permitted thereon which involves on-premises sales, or which constitutes a nuisance.

4.11 Sightlines. All exterior paint colors shall be selected from a color scheme chosen by Lessees and approved by CVHT. No reflective film or similar treatment on windows is allowed. All residents shall comply with the City of Chelan Dark Skies Ordinance. Any items placed on porches shall be minimal and maintained in an orderly and tidy manner. Sports equipment shall not be stored on the exterior of any housing units, except for bicycles.

4.12 Smoking and Vaping. Smoking and vaping are not permitted in common areas or on decks, porches, or balconies at Emerson Village.

ADMINISTRATIVE COVENANTS

5.1 Duration. This plat and dedication are made subject to the above restrictions and covenants which shall run with the land and shall be binding on all parties and all personal claiming under them for a period of ten (10) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the Chelan Valley Housing Trust and the then owners of three-fifths (3/5) of the lots has been recorded, agreeing to change said covenants in whole or in part.

5.2 Amendment. Lessees may amend these covenants shall be by three-fifths (3/5) vote, with one vote per Lessee. Amendments shall be in writing, executed by a voting majority, and recorded in the same manner as these covenants. CVHT, as the real property owner and Lessor, shall have the exclusive authority to modify and amend these CCRs until the point in which a quorum of Lessees exists.

5.3 Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any provision shall not affect any other provision thereof.

5.4 Enforcement. Enforcement shall be by proceedings at law or in equity against any person or person violating or attempting to violate any covenant either to restrain violation or to recover damages. The prevailing party in any dispute of the enforcement of these covenants shall be entitled to recover reasonable attorney's fees.

5.5. Duty to Arbitrate. Lessees must submit all disputes involving claims for compensation between Lessees to arbitration by CVHT rather than filing a lawsuit. By signing and agreeing to the terms here, Lessees agree to limit dispute resolution to arbitration. This includes disputes that arise prior to one of the parties becoming a Lessee. CVHT may, in the sole discretion of its President and Executive Director, arbitrate other matters involving Lessees, provided that the parties' consent in writing and agree to hold CVHT harmless from any claims or liability resulting from the process.

DATED this ____ day of _____, 2020.

GRANTOR:

CHELAN VALLEY HOUSING TRUST
A 501(c)(3) and Washington Nonprofit

By _____
Rachael Goldie, Administrator

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that RACHAEL GOLDIE is the person who appeared before me and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Administrator of the CHELAN VALLEY HOUSING TRUST, a 501(c)(3) and Washington Nonprofit, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this ____ day of _____, 2020.

Typed/Printed Name _____
NOTARY PUBLIC
In and for the State of Washington
My appointment expires _____