LAKELAND VILLAGE COMMUNITY CLUB RESOLUTION 2018 - 25 RESIDENTIAL USE RESTRICTIONS

LakeLand Village is a quiet residential development located in Allyn, Washington, with several Divisions. Each of these Divisions is subject to recorded restrictive covenants. These impose a use restriction, either, (1) that all lots and improvements shall be for residential purposes only; or that they shall be used for residential purposes and uses incidental to residential purposes only; or (2), that all buildings shall be used solely and exclusively for private one-family residences (buildings) with appurtenant garages.

Over time, LakeLand Village has developed into a series of neighborhoods marked by only residential uses, with occasional incidental uses such as pet sitters for vacationers, house cleaning services for part-time residents, babysitting, semiretired contractors and handymen, lawn mowing and small-scale landscapers, and the like. None of these has, by itself, presented any substantial effect on LakeLand Village neighborhoods. On the one occasion where a business was located in a home, with clients, traffic, parking, signage, and other obvious non-residential features, that use was terminated at the request of the Association.

LakeLand Village wants to specify the uses allowed in its neighborhoods so that current, prospective, and future owners can understand the rules as they will be applied. Each possible use that is not strictly residential is looked at individually, under the criteria below.

I. NEIGHBORHOOD EFFECT

An important consideration with respect to what is allowed is the effect on the neighborhood. The goal is to maintain the character of the neighborhoods as residential. Some "businesses" are unobtrusive and do not make a neighborhood less attractive or livable for residential purposes. People working out of their homes with no appreciable increase in structural building changes, traffic, or parking, or any signs or other outward indications of anything other than a purely residential use, are not of a concern to the Association.

LAKELAND VILLAGE COMMUNITY CLUB RESOLUTION 2018 – 25 RESIDENTIAL USE RESTRICTIONS -- Page 1 A very useful way of thinking about the effect on the neighborhood is to imagine if everyone in the neighborhood did the same thing. What would that effect be? Because if the use is permitted for one, it must be permitted for all.

Additional factors to consider include, but are not limited to,

- noise, or anything else perceived by the senses;
- increased pedestrian traffic;
- increased pollution, odors, vibration, smoke, heat, fumes;
- toxic, explosive, flammable, combustible, or otherwise dangerous substances;
- hours of operation;
- public safety;
- employees, clients or associates that come and go;
- materials stored within sight, outside of enclosures;
- consistency with applicable laws and ordinances;
- regular parcel pickup and delivery beyond normal residential uses;
- storage of heavy equipment, trucks, vans, trailers, etc. associated with business;
- interference with others' home electronic systems;
- off-site advertising of business location;
- advertising in any way on the residential lot except for limited advertising on vehicles;
- trash in excess of normal residential uses; and
- whether the use is in compliance with all applicable local, state and federal laws and ordinances.

It is important to stress that the primary use of a residence may be for living, but if a secondary or incidental use is for something else that is in addition to the residential uses, it can still be a violation of the LakeLand covenants. One way of determining this is whether the use offers some sort of on-site service, activity, or circumstances that are beyond residential or incidental uses. Also, the use may only happen very occasionally, such as a large event with paid customers once a year; a site that employees, associates, or clients only come to once a week; and so on.

Also, members must respect LakeLand Village covenant restrictions against undesirable behaviors, in addition to the residential use covenants.

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II. EXAMPLES OF PERMITTED USES

Some examples of permitted non-residential uses, if they are consistent with the standard of no appreciable effect on the residential quality of the neighborhoods, and are made by a primary resident of a home, are rentals, including short-term vacation rentals; babysitting and small-scale child care; home based professionals who do not meet associates or clients in their residences; computer-based remote work sites; the occasional garage sale at a residence; adult residential group homes; small, part-time, one-person handyman, housecleaning, or gardener work from a residence; and similar uses. Again, all of these uses are also subject to other LakeLand Village restrictions, including restrictions against undesirable behaviors, and, in particular, members who use their residential premises for short-term vacation rentals are encouraged to work with their renters to ensure compliance, and to avoid providing additional services on-site beyond residential uses. All owners are responsible for the actions of their renters, including short-term vacation renters.

Some examples of uses that are likely to be consistent with the standard of no appreciable effect on the residential quality of the neighborhood include homebased businesses with no employee, associate, or client traffic; and those that are not obvious from a visual, smell, hearing, or other sensory perspective.

III. OTHER FACTORS

A member who wants to make use of a residential lot for non-residential purposes must first come to the Board of Directors for its approval. The Board will do its best to interpret the applicable covenants so that the intent is respected, and the plain language controls. But even if the Board approves a non-residential use, all of the other members in the same division may have the ability to disagree, and ask the Superior Court themselves as individuals for an order preventing the use. Also, if the member proceeds without approval, then the member accepts the risk of loss of any investment in the project if the Board ultimately disapproves.

No failure of the Association to enforce its residential restrictions can be used as a basis for any member to claim that he or she can also make the same use, or any different non-residential use. Also, this Resolution applies to all divisions in place as of the date of its passage, and all future additional divisions added to LakeLand Village.

IV. PROCESS

Any member who wants to make a non-residential use of the member's residential lot must first seek permission from the Board. Exceptions are for truly unobtrusive uses similar to one neighborhood teenager babysitting for a neighbor, or walking a dog for a neighbor on vacation.

Each proposal will be considered according to the factors above. Permission may be unconditional, or it may be conditioned on any factors that are reasonable under the circumstances. Approval will only constitute approval subject to those conditions, and if any of those conditions are violated at any time in the future, that approval is automatically withdrawn and the matter should be brought back to the Board for further consideration. The Board shall make its decisions consistent with the applicable covenants, and in a way that is reasonable and fair. Its goal will be to understand and give effect to the purposes intended by the covenants in a way that protects the homeowners' collective interests.

Any member in violation of this rule or the conditions of any permission given by the Board pursuant to it will be subject to the provisions of the LakeLand Village Bylaws regarding payment of expenses and fees. The Board may also fine any member for noncompliance in the amount of \$25-\$500, in its discretion.

This Resolution was enacted by the Board of Directors of LakeLand Village Community Club on the _____ day of _____, 2018.

Richard Caron President, Board of Directors LakeLand Village Community Club Cindy Ross Secretary-Treasurer, Board of Directors LakeLand Village Community Club

STATE OF WASHINGTON)) ss. COUNTY OF MASON)

On this _____ day of _____, 2018, personally appeared before me Richard Caron, personally known to me to be the President of the Board of Directors of LakeLand Village Community Club, the corporation that executed the foregoing instrument, and acknowledged that said instrument to be the free and voluntary act and deed of the said corporation, for the uses and purposes therein mentioned, and oath stated that he is authorized to execute said document.

WITNESS my hand and official seal affixed the day and year above written.

STATE OF WASHINGTON)) ss. COUNTY OF MASON)

On this ______ day of ______, 2018, personally appeared before me Cindy Ross, personally known to me to be the Secretary-Treasurer of the Board of Directors of LakeLand Village Community Club, the corporation that executed the foregoing instrument, and acknowledged that said instrument to be the free and voluntary act and deed of the said corporation, for the uses and purposes therein mentioned, and oath stated that he is authorized to execute said document.

WITNESS my hand and official seal affixed the day and year above written.