

RETURN TO 3800
ANGEVINE & JOHNSON
LAWYERS
709-711 SOUTH FIRST STREET
MOUNT VERNON, WASHINGTON 98273

LUELLA HENRY
SKAGIT COUNTY CLERK

RB

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1 7905090046

2
3 DECLARATION

REQUEST

Le Roy July

4 AND

5 COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS

6 FOR

7 FELLMAN CONDOMINIUM

8 A Condominium

9 Pursuant to R.C.W. Chapter 64.32, hereinafter referred
10 to as "The Act," for the purpose of submitting the real property
11 hereinafter described to the provisions of the Act, the undersigned
12 hereinafter referred to as "Declarant," being sole owner of said
13 property, makes the following Declaration. It is agreed by
14 acceptance of a conveyance, contract for sale, lease, rental
15 agreement, or any form of security agreement or instrument, or
16 any privileges of use or enjoyment, respecting the property or
17 any apartment in the horizontal property regime created by this
18 Declaration, that this Declaration, together with the Survey Map
19 and Plans referred to herein, states covenants, conditions,
20 restrictions, and reservations effecting a common plan for the
21 condominium development mutually beneficial in all of the des-
22 cribed apartments, and that the covenants, conditions, restrictions,
23 reservations and plan are binding upon the entire property and
24 upon each such apartment as a parcel of realty, and upon its
25 owners or possessors, and their heirs, personal representatives,
26 successors and assigns, through all successive transfers of all
27 or part of the property or any security interests therein,
28 without requirement of further specific reference or inclusion in
29 deeds, contract or security instruments, and regardless of any
30 subsequent forfeiture, foreclosures, or sales of apartments under
31 security instruments.

32
ARTICLE 1

DESCRIPTION OF LAND

The land on which the buildings and improvements provided
for in this Declaration for FELLMAN CONDOMINIUM are located is
Tracts 1 and 2 of Mount Vernon Short Plat No. 13-77, approved
July 23 1977, recorded July 29, 1977, in Volume 2 of Short Plats,
page 93, under Auditor's File No. 861638, being a portion of the
S.W. 1/4 of the S.W. 1/4 of Section 17 Township 34 N. Range 4 E.
W. M.

Situate in the County of Skagit, State of Washington.

ARTICLE 2

DESCRIPTION OF BUILDING AND IMPROVEMENTS

The apartment buildings were constructed as follows: Founda-
tion is concrete; general construction is wood frame with
composition roof. The building consists of ten apartments.
The apartments are connected to city sewer. Each unit contains
a wood deck.

7905090046 1 - Official Records
VOL 362 PAGE 187

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ARTICLE 3

DESCRIPTION OF APARTMENTS, LOCATION, AREA
AND NUMBER OF ROOMS

1. Apartment Location Each apartment is identified by individual unit numbers such as 1, 2, 3 representing each apartment.

2. Apartment Description. In Schedule "A" attached hereto, each apartment is described by apartment number, location, number of rooms in the apartment, number of floors in each unit, location of storage area and approximate total square foot area of apartment, deck and storage area.

ARTICLE 4

ACCESS

1. Acces to Common Ways. Each apartment has direct access to the common condominium walks, parking areas and driveways.

2. Access to Public Streets. The common condominium areas have direct access to Eighth Street.

ARTICLE 5

DESCRIPTION OF COMMON AREAS AND FACILITIES:
CERTAIN ITEMS MAY BE MADE OWNER'S RESPONSIBILITY

Except as otherwise specifically reserved, assigned or limited by the provisions of Article 6 hereof, the common areas and facilities consist of the following:

1. The land above described.

2. The roofs, foundations, columns, girders, studding, joists, beams, supports, main walls (excluding only nonbearing interior partitions of apartment), and all other structural parts of the buildings, to the interior surfaces of the apartments' perimeter walls, floors, ceilings, windows, and doors; that is, to the boundaries of the apartments as the boundaries are defined in the Act, and any replacements thereto, provided, that the term "interior surfaces" shall not include paint, wallpaper, carpeting, tiles or other such decorative surface coverings or finishes.

3. Installations of central services such as power, light, pipes, conduits, and wires, wherever they may be located whether in partitions or otherwise; tanks, pumps, motors, fans, compressors, ducts; and in general all apparatus and installations existing for common use.

4. The driving areas which provide access to the limited common areas for parking, and any guest parking or other parking areas not assigned to apartments.

5. The yards, gardens, landscaped areas and walkways which surround and provide access to the buildings or are used for recreational purposes.

1. 6. All other parts of the property necessary or convenient
2 to its existence, maintenance and safety, or normally in common
3 use.

4 7. Certain items which could ordinarily be considered
5 common areas such as but not limited to screen doors, window
6 screens, awnings, storm windows, planter boxes, and the like,
7 may, pursuant to decision of a majority of owners and specif-
8 ication in the Bylaws or administrative rules, be designated as
9 items to be furnished and maintained by apartment owners at
10 their individual expense, in good order, according to standards
11 and requirements set by the Board by rule, regulation or
12 Bylaws.

13 ARTICLE 6

14 DESCRIPTION OF LIMITED COMMON AREAS: EASEMENTS
15 FOR EXCLUSIVE USE RESERVED FOR CERTAIN APARTMENTS

16 1. Limited Common Areas. The limited common areas and
17 facilities are reserved for the exclusive use of the apartment or
18 apartments to which they are adjacent or assigned and consist of
19 the deck area which is adjacent to each apartment as more particu-
20 larly shown on the Survey Map and Plans, the boundaries of said
21 deck area being defined by the boundaries of the wood floor and
22 the interior surfaces of any railings or walls and the parking
23 spaces as are more particularly shown on the Survey Map and Plans
24 and as are assigned to the apartments.

25 One parking place is to be assigned permanently to each
26 apartment. Assignment may be inscribed in the deeds of conveyance
27 but shall not convey any interest in the land, but shall constitute
28 a record of an assignment of the use of the space and surface area
29 beneath, appurtenant to the apartment for the term of that property
30 under the regime. Once the assignment of the parking spaces to
31 each apartment has been made, that assignment may be reassigned and
32 the uses separated from that apartment only with the consent of the
entire voting membership in the Association and all institutional
or insured mortgagees of apartments, to which a parking space or
spaces has been assigned. The use of an assigned parking space is
reserved exclusively to the apartment to which it is assigned but
otherwise is subject to the government and provisions of the Act
and the rules and regulations enacted by the Association. A lease
of a parking space will be permitted by one owner to another owner
but not otherwise and subject to defeasance on change of ownership
of the apartment to which it is appurtenant. Unassigned, covered
parking spaces may be leased by the owners association to owners for
the benefit of the association.

26 2. As used in Section 1, the term "interior surfaces"
27 shall not mean decorative finishes and coverings applied to
28 such surfaces (including paint, wall paper, paneling, carpeting
29 and tiles). Said decorative finishes and covering, along with
30 fixtures and other tangible personal property (including
31 furniture, planters, mirrors, and the like) located in and used
32 in connection with said limited common area, shall be deemed a
part of said limited common area.

ARTICLE 7

VALUE AND PERCENTAGE OF UNDIVIDED INTEREST IN
COMMON AREAS

The value of the entire property is established as

7905090046 -3-

Official Records
VOL 362 PAGE 189
ANGEVINE & JOHNSON
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1 \$370,000.00. Values and percentages of interest for each apartment
2 are expressed in Schedule "A" attached hereto. Each apartment
3 includes all the limited common areas appertaining thereto and the
4 percentage of undivided interest in the common and limited common
5 areas appertaining thereto. The values are schedules to establish
6 the percentages required by the Act and do not reflect, necessarily,
7 the amount for which an apartment will be sold, from time to time,
8 by Declarant or others.

5 ARTICLE 8

6 OWNER'S ASSOCIATION

7 1. Form of Association. The "Association" as used herein,
8 shall mean the Association of Owners as defined in the Act. Said
9 Association shall be a nonprofit corporation under the laws of the
10 State of Washington; provided, that, from and after the formation
11 of such nonprofit corporation, the rights and duties of the members
12 and of such corporation shall continue to be governed by the
13 provisions of the Act and of this Declaration.

11 2. Membership.

12 (a) Qualification. Each fee owner (including Declarant)
13 shall be a member of the Association and shall be entitled to
14 one membership for each apartment so owned; provided, that if
15 an apartment has been sold on contract, the contract purchaser
16 shall exercise the rights of the apartment owner for purposes
17 of the Association, this Declaration and the Bylaws, except as
18 hereinafter limited, and shall be the voting owner unless otherwise
19 specified. Ownership of an apartment shall be the sole qualifi-
20 cation for membership in the Association.

17 (b) Transfer of Membership. The Association membership
18 of each owner (including Declarant) shall be appurtenant to the
19 apartment giving rise to such membership, and shall not be assigned,
20 transferred, pledged, hypothecated, conveyed or alienated in any
21 way except upon the transfer of title to said apartment and then
22 only to the transferee of title to such apartment. Any attempt to
23 make a prohibited transfer shall be void. Any transfer of title to
24 an apartment shall operate automatically to transfer the membership
25 in the Association appurtenant thereto to the new owner thereof.

22 3. Voting.

23 (a) Number of Votes. The total voting power of all
24 owners shall be 100 votes and the total number of votes available
25 to owners of any one apartment shall be equal to the percentage of
26 undivided interest in the common areas and facilities appertaining
27 to such apartment.

26 (b) Voting Owner. There shall be one (1) "voting
27 representative" of each apartment. Declarant shall be the voting
28 representative with respect to any apartment or apartments owned by
29 Declarant. If a person owns more than one apartment, he shall have
30 the votes for each apartment owned. The voting representative
31 shall be designated by the owner or owners of each apartment by
32 written notice to the Board, and need not be an owner. The design-
33 ation shall be revocable at any time by actual notice to the Board
34 from a party having an ownership interest in an apartment, or by
35 actual notice to the Board of the death or judicially declared
36 incompetence of any party with an ownership interest in the apart-

1 ment. This power of designation and revocation may be exercised by
2 the guardian of an apartment owner, and the administrators or
3 executors of an owner's estate. Where no designation is made, or
4 where a designation has been made but is revoked and no new designation
5 has been made, the voting representative of each apartment
6 shall be the group composed of all of its owners.

7 (c) Joint Owner Disputes. The vote for an apartment
8 must be cast as a single vote, and fractional votes shall not be
9 allowed. In the event that joint owners are unable to agree among
10 themselves as to how their vote or votes shall be cast, they shall
11 lose their right to vote on the matter in question. In the event
12 more than one vote is cast for a particular apartment, none of said
13 votes shall be counted and said votes shall be deemed void.

14 (d) Pledged Votes. In the event the record owner or owners
15 have pledged their vote regarding special matters to a mortgagee or
16 beneficiary of a deed of trust under a duly recorded mortgage or
17 deed of trust, or to the vendor under a duly recorded real estate
18 contract, only the vote of such mortgagee, beneficiary, or vendor,
19 will be recognized in regard to the special matters upon which the
20 vote is so pledged, if a copy of the instrument with this pledge
21 has been filed with the Board. Amendments to this subsection shall
22 only be effective upon the written consent of all the voting owners
23 and their respective mortgagees, deed of trust beneficiaries and
24 vendors, if any. This section shall be construed as authorizing
25 and permitting the pledging of irrevocable proxies by owners to
26 mortgagees or beneficiaries of a deed of trust for the life of the
27 respective mortgage or deed of trust.

28 (e) Voting by Condominium Mortgagee. The mortgagee of
29 the condominium, as defined in Article 18, shall be entitled to
30 exercise the votes of the Declarant (a) arising from apartments
31 owned by the Declarant and against which the mortgagee or the
32 condominium holds a mortgage or deed of trust, and (b) with respect
33 to amendments to this Declaration, subdivision or combining of
34 apartments, abandonment of the condominium status of the property
35 or reconstruction; provided, however, that said mortgagee may, as
36 to any specific matter on which it has a right to vote in place of
37 the Declarant, waive said voting right in writing, in which event
38 the Declarant shall be entitled to exercise its votes as to those
39 matters specifically set forth in the written waiver.

40 4. Meetings, Audits, Notices of Meetings.

41 (a) Annual Meetings, Audits. There shall be an annual
42 meeting of the owners in the first quarter of each year at such
43 reasonable place and time as may be designated by written notice of
44 the Board delivered to the owners no less than ten (10) days and no
45 more than thirty (30) days prior to the date fixed for said meeting.
46 At the annual meeting, there shall be presented an audit of the
47 common expenses, itemizing receipts and disbursements for the
48 preceding calendar year, and the allocation thereof to each owner,
49 and the estimated common expenses for the coming calendar year. The
50 Board at any time, or by written request of owners having at least
51 twenty-five (25%) percent of the total votes, may require that an
52 audit of the Association and management books be presented at any
53 special meeting. An apartment owner, at his own expense, may at
54 any reasonable time make an audit of the books of the Board and
55 Association.

7905090046

1 (b) Special Meetings. Special meetings of the owners
2 may be called at any time for the purpose of considering matters
3 which by the terms of the Act or of this Declaration require the
4 approval of all or some of the owners, or for
5 any other reasonable purpose. Such meetings shall be called by
6 written notice of the president of the Association upon the
7 decision of the president, or after request signed by a majority
8 of the Board, or by written request by the owners having at
9 least twenty-four (24%) percent of the total votes, which
10 notice shall be delivered not less than ten (10) days prior to
11 the date fixed for said meeting. The notice shall specify the
12 date, time and place of the meeting, and in general the
13 matters to be considered.

14 5. Bylaws of Association.

15 (a) Adoption of Bylaws. Bylaws for the administration
16 of the Association and the property, and for other purposes not
17 inconsistent with the Act or with the intent of this Declaration,
18 shall be adopted by the Association by concurrence of those
19 voting owners holding sixty-six and two-thirds (66 2/3%)
20 percent of the voting power at a regular or special meeting.
21 Notice of the time, place and purpose of such meeting shall be
22 delivered to each apartment owner at least ten (10) days prior
23 to such meeting. Amendments to the Bylaws may be adopted by
24 the same vote at a regular or special meeting similarly called.
25 Declarant may adopt initial Bylaws.

26 (b) Bylaws Provisions. The Bylaws shall contain
27 provisions identical to those provided in this Article 8, and
28 may contain supplementary, not inconsistent, provisions
29 regarding the operation of the condominium and administration
30 of the property. The Bylaws shall establish such provisions
31 for quorum, ordering of meetings, and details regarding the
32 giving of notice as may be required for the proper administra-
tion of the Association and the property.

19 ARTICLE 9

20 MANAGEMENT OF CONDOMINIUM

21 1. Management by Declarant. Until the Transition Date,
22 the property shall be managed and Association organized as follows,
23 at the decision of the Declarant:

24 (a) Declarant may, at such times as Declarant deems
25 appropriate, select as a temporary board three (3) persons who
26 own, or are purchasers of, apartments or are officers of
27 corporations owning or purchasing such apartments. This board
28 shall have the full authority and all rights, responsibilities,
29 privileges and duties to manage the condominium under this
30 Declaration and Bylaws, and shall be subject to all provisions
31 of the Declaration and Bylaws.

32 (b) Until such time as such temporary board is selected,
Declarant or a managing agent selected by Declarant, shall have
the power and authority to exercise all the rights, duties and
functions of the board, including but not limited to enacting
reasonable administrative rules, contracting for required
services, property and insurance, and collecting and expending
all assessments and association funds. Any such managing agent

1 (c) These requirements and covenants are made in order
2 to assure that the property and condominium will be adequately
3 administered in the initial phases of development, and to assure an
4 orderly transition to the Association operations.

5 2. Transition Date. The "Transition Date" shall be the
6 date control of the condominium passes from Declarant or its agent
7 to the Association of apartment owners. The Transition Date will
8 be either (1) the date designated by the Declarant in a written
9 notice to the owners, which date may, at Declarant's election, be
10 any date after this Declaration has been recorded; or, (2) the
11 sixtieth day after the Declarant has transferred title to purchasers
12 of apartments representing 75% of the total voting power of all
13 apartment owners in the condominium; or, (3) the first anniversary
14 of the recording of this Declaration; whichever of the foregoing
15 occurs first.

16 3. Management of Board. At the expiration of such three-year
17 period, all administrative power and authority shall vest in a
18 Board of three directors elected from among the apartment owners.
19 The Board may delegate all or any portion of such power to a
20 manager, managing agent, or officer of the Association, or in such
21 manner as may be provided by the Bylaws. All Board positions shall
22 be open for election at the first annual meeting after the period
23 of Declarant's authority under subsection 1, above, ends. The
24 Board shall elect a president from among its members, who shall
25 preside over meetings of the Association.

26 4. Authority of the Board. The Board (or the Declarant or
27 Declarant's managing agent as provided in subsection 1 hereof) for
28 the benefit of the condominium and the owners shall enforce the
29 provisions of this Declaration and of the Bylaws, shall have all
30 powers and authority permitted to the Board under the Act and the
31 Declaraiton, and shall acquire and shall pay for out of the common
32 expenses fund hereinafter provided for, all goods and services
33 requisite for the property functioning of the condominium, including
34 but not limited to the following:

35 (1) Water, sewer, cable, garbage collection, electrical,
36 telephone and any other necessary utility service as required for
37 the common area. If one or more apartments or the common areas are
38 not separately metered, the utility service may be paid as a common
39 expense, and the Board may by reasonable formula, allocate a
40 portion of such expense to each such apartment involved as a
41 portion of its common expense.

42 (2) Policies of insurance or bonds provided coverage
43 for fire and other hazard, liability for personal injury and
44 property damage, and for fidelity of Association officers and other
45 employees, as the same are more fully required hereinafter and in
46 the Bylaws.

47 (3) The services of persons or firms as required to
48 properly manage the affairs of the condominium to the extent deemed
49 advisable by the Board as well as such other personnel as the Board
50 shall determine are necessary or proper for the operation of the
51 common area, whether such personnel as the Board shall determine
52 are necessary or proper for the operation of the common area, and
53 whether such personnel are employed directly by the Board or are
54 furnished by the manager or management firm or agent.

55 (4) Legal and accounting services necessary or proper
56 in the operation of the Association affairs, administration of the
57 common area, or the enforcement of this Declaration.

7905090046 VOL 362 PAGE 193

Office Record
- 7 -
ANGEVINE & JOHNSON
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1 (5) Painting, maintenance, repair and all landscaping
2 and gardening work for the common area, and such furnishings
3 and equipment for the common area as the Board shall determine
4 are necessary and proper, and the Board shall have the exclusive
5 right and duty to acquire the same for the common area; provided,
6 however, that the interior surfaces of each apartment shall be
7 painted, maintained and repaired by the owners thereof, all
8 such maintenance to be at the sole cost and expense of the
9 particular owner as more particularly provided in Article
10 10.

11 (6) Any other materials, supplies, labor, services,
12 maintenance, repairs, structural alterations, insurance, taxes
13 or assessments which the Board is required to secure by law or
14 which in its opinion shall be necessary or proper for the
15 operation of the common area or for the enforcement of this
16 Declaration; provided that if for any reason such materials,
17 supplies, labor, services, maintenance, repairs, structural
18 alterations, insurance, taxes, or assessments are provided for
19 particular apartments or their owners, the cost thereof shall
20 be specifically assessed to the owner of such apartments.

21 (7) Maintenance and repair of any apartment, its
22 appurtenances and appliances if such maintenance or repair is
23 reasonably necessary in the discretion of the Board to protect
24 the common area or preserve the appearance and value of the
25 condominium development, and the owner or owners of said
26 apartment have failed or refused to perform said maintenance or
27 repair within a reasonable time after written notice of the
28 necessity of said maintenance or repair has been delivered by
29 the Board to the owner or owners; provided that the Board shall
30 levy a special assessment against the apartment of such owner
31 or owners for the cost of such maintenance or repair.

32 (8) The Board may also pay any amount necessary to
discharge any lien or encumbrance levied against the entire
property or any part thereof which is claimed to or may, in the
opinion of the Board, constitute a lien against the property or
against the common areas, rather than merely against the
interest therein of particular owners. Where one or more
owners are responsible for the existence of such lien, they
shall be jointly and severally liable for the cost of discharg-
ing it and any costs and expenses incurred by the Board by
reason of such lien or liens shall be assessed against the
owners and the apartment responsible to the extent of their
responsibility.

(9) The Board's power hereinabove enumerated shall be
limited in that the Board shall have no authority to acquire
and pay for out of the maintenance fund capital additions and
improvements (other than for purposes of restoring, repairing
or replacing portions of the common areas) having a total cost
in excess of Five Thousand Dollars (\$5,000.00), without first
obtaining the affirmative vote of the owners holding a majority
of the voting power present or represented at a meeting
called for such purpose, or if no such meeting is held, then
the written consent of voting owners having a majority of the
voting power; provided that any expenditure or contract for
capital additions or improvements in excess of Twenty-five

Official Records

VOL 362 PAGE 194

- 8 -

7905090046

ANGEVINE & JOHNSON
ATTORNEYS AT LAW
709-711 SOUTH FIRST STREET
MOUNT VERNON, WASHINGTON 98273
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1 Thousand Dollars (\$25,000.00) must be approved by owners having
2 not less than seventy-five (75%) percent of the voting power.

3 (10) Nothing herein contained shall be construed to
4 give the Board authority to conduct an active business for
5 profit on behalf of all of the owners or any of them.

6 (11) The Board shall have the exclusive right to
7 contract for all goods and services, payment of which is to be
8 made from the maintenance fund. The Board may delegate such
9 powers subject to the terms hereof.

10 (12) The Board may, from common funds of the Associa-
11 tion, acquire and hold in the name of the Association, for the
12 benefit of the owners, tangible and intangible personal property
13 and real property and interests therein, and may dispose of the
14 same by sale or otherwise; and the beneficial interest in such
15 property shall be owned by the owners in the same proportion as
16 their respective interests in the common areas, and such
17 property shall thereafter be held, sold, leased, rented,
18 mortgaged or otherwise dealt with for the benefit of the common
19 fund of the Association as the Board may direct. The Board
20 shall not, however, in any case acquire real property or
21 personal property valued in excess of Five Thousand Dollars
22 (\$5,000.00) by lease or purchase except upon a majority vote of
23 the apartment owners.

24 (13) The Board and its agents or employees, may enter
25 any apartment or limited common area when necessary in connec-
26 tion with any maintenance, landscaping or construction for
27 which the Board is responsible or in the event of emergencies.
28 Such entry shall be made with as little inconvenience to the
29 owners as practicable, and any damage caused thereby shall be
30 repaired by the Board out of the common expense fund if the
31 entry was due to an emergency (unless the emergency was caused
32 by the owner of the apartment entered, in which case the cost
shall be specially assessed to the unit entered) or for the
purpose of maintenance, or repairs, to common or limited common
areas where the repairs were undertaken by or under the direc-
tion or authority of the Board. If the repairs or maintenance
were necessitated by or for the apartment entered or its
owners, or requested by its owners, the costs thereof shall be
specially assessed to such apartment.

(14) Each owner, by the mere act of becoming an owner
or contract purchaser of an apartment, shall irrevocably
appoint the Association as his attorney-in-fact, with full
power of substitution, to take such action as reasonably
necessary to promptly perform the duties of the Association and
Board hereunder, including but not limited to the duties to
maintain, repair and improve the property, to deal with the
apartment upon damage or destruction, and to secure insurance
proceeds.

ARTICLE 10

USE; REGULATION OF USES; ARCHITECTURAL

UNIFORMITY

- 9 -

7905090046

Official Record

VOL 362 PAGE 195

ANGEVINE & JOHNSON
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1 1. Residential Use. The building and apartments shall
2 be used for single family residential purposes only, on an
3 ownership, rental or lease basis; and for the common social,
4 recreational or other reasonable uses normally incident to
5 such purposes, and also for such additional uses or purposes as
6 are from time to time determined appropriate by the Board.
7 Apartments of the building may be used for the purposes of
8 operating the Association and for the management of the condominium
9 if required.

10 2. Sales Facilities of Declarant. Notwithstanding any
11 provision in Section 1, above, Declarant, its agents, employees
12 and contractors shall be permitted to maintain during the
13 period of sale of the condominium upon such portion of the
14 property as Declarant may choose, such facilities as in the
15 sole opinion of the Declarant may be reasonably required,
16 convenient or incidental to the sale or rental of condominium
17 apartments and interests, including but not limited to, a
18 business office, storage area, signs, model units, sales
19 office, and parking areas for all prospective tenants or
20 purchasers of Declarant.

21 3. Vehicle Parking. Parking spaces are restricted to
22 use for parking of operative automobiles; other items and
23 equipment may be parked or kept therein only subject to the
24 rules or regulations of the Board. The Board may require
25 removal of any inoperative vehicle, or any unsightly vehicle,
26 and any other equipment or item improperly stored in parking
27 spaces. If the same is not removed, the Board may cause
28 removal at the risk and expense of the owner thereof. Use of
29 all parking areas may be regulated and is subject to the
30 provisions of Article 6 of this Declaration.

31 4. Common Drive and Walks. Common drives, walks,
32 corridors and stairways shall be used exclusively for normal
transit and no obstructions shall be placed thereon or therein
except by express written consent of the Board.

 5. Interior Apartment Maintenance.

(a) Each apartment owner shall, at his sole expense,
have the right and the duty to keep the interior of his apartment
and its equipment, appliances, and appurtenances in good order,
condition and repair and shall do all redecorating and painting
at any time necessary to maintain the good appearance and
condition of his apartment. Each owner shall be responsible
for the maintenance, repair or replacement of any plumbing
fixtures, water heaters, fans, heating or other equipment,
electrical fixtures or appliances which may be in or connected
with his apartment.

(b) Without limiting the generality of the foregoing,
each owner shall have the right and the duty, at his sole cost
and expense, to maintain, repair, paint, paper, panel, plaster,
tile, and finish the interior surfaces of the ceilings,
floors, window frames, door frames, trim, and the perimeter
walls of the apartment and the surfaces of the bearing walls
located within his apartment and shall not permit or commit
waste of his apartment or the common areas. Each owner shall

Official Records

VOL 362 PAGE 196

- 10 -

7905090046

ANGEVINE & JOHNSON
ATTORNEYS AT LAW
709-711 SOUTH FIRST STREET
MOUNT VERNON, WASHINGTON 98273
TELEPHONE (206) 336-6502

1 have the right to substitute new finished surfaces for the
2 finished surfaces then existing on said ceilings, floors and
3 walls. Each owner and his agent has the right to maintain,
4 repair, paint, finish, alter, substitute, add or remove any
5 fixtures attached to said ceilings, floors or walls. This
6 section shall not be construed as permitting an interference
7 with or damage to the structural integrity of the building
8 or interference with the use and enjoyment of the common areas
9 or of the other apartments or any of them, nor shall it be
10 construed to limit the powers or obligations of the Board
11 hereunder.

12 (c) Limited common areas, as defined in Article 6,
13 although the use, condition and appearance thereof may be
14 regulated under provisions of this Declaration or the Bylaws or
15 rules, are for the sole and exclusive use of the apartments for
16 which they are reserved or assigned. Apartment owners will be
17 responsible for care and maintenance of the limited common
18 areas reserved for or assigned to their apartments. Owners may
19 not, however, modify, paint or otherwise decorate, or in any
20 way alter their respective limited common areas without prior
21 approval of the Board.

22 6. Exterior Appearance. In order to preserve a uniform
23 exterior appearance to the building, and the common and limited
24 common areas visible to the public, the Board may require and
25 provide for the painting and other decorative finish of the
26 building, patio areas, or other common or limited common areas,
27 and prescribe the type and color of such decorative finishes,
28 and may prohibit, require or regulate any modification or
29 decoration of the building, patio areas or other common limited
30 common areas undertaken or proposed by any owner. This power
31 of the Board extends to screens, doors, awnings, rails or other
32 visible portions of each apartment and apartment building. The
Board may also require use of a uniform color of draperies,
under draperies or drapery lining for all apartments.

7. Affect on Insurance. Nothing shall be done or kept
in any apartment or in the common area which will increase the
rate of insurance on the common area or apartments without the
prior written consent of the Board. No owner shall permit
anything to be done or kept in his apartment or in the common
or limited common areas which will result in the cancellation
of insurance on any apartment or any part of the common or
limited areas, or which would be in violation of any laws.

8. Signs. No sign of any kind shall be displayed to the
public view on or from any apartment or common area or limited
common area without the prior consent of the Board; provided,
that this section shall not apply to Declarant or Declarant's
agents.

9. Pets. No animals, which term includes livestock,
domestic animals, poultry, reptiles or living creatures of any
kind, shall be raised, bred, or kept in any apartment or in the
common or limited common areas, whether as pets or otherwise,
except subject to rules and regulations adopted by the Board,
or Bylaws adopted by the Association. The Board may at any
time require the removal of any animal which it finds is

Official Records

VOL 362 PAGE 197

- 11 -

7905090046

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1 disturbing other owners unreasonably and may exercise this
2 authority for specific animals even though other animals are
permitted to remain.

3 10. Offensive Activity. No noxious or offensive activity
4 shall be carried on in any apartment or common area, nor shall
5 anything be done therein which may be or become any annoyance
or nuisance to other owners.

6 11. Common Area Alterations. Nothing shall be altered or
7 constructed in or removed from the common area except upon the
8 written consent of the Board and after procedures required
herein or by law.

9 12. House Rules. The Board or the Association membership
10 is empowered to pass, amend and revoke detailed administrative
11 rules and regulations, or "House Rules," necessary or convenient
12 from time to time to insure compliance with the general guide-
13 lines of this Article and the other provisions of this Declara-
14 tion. In specific, and not in limitation on the foregoing the
15 Board may prescribe rules and regulations covering the actions
16 of children in order to insure that children have a safe and
17 pleasant living environment without becoming an annoyance to
18 other residents.

14 ARTICLE 11

15 COMMON EXPENSES AND ASSESSMENTS

16 1. Estimated Expenses. Within thirty (30) days prior to
17 the beginning of each calendar year, the Board shall estimate
18 the charges (including common expenses, and any special assess-
19 ments for particular apartments) to be paid during such year;
20 shall make provision for creating, funding and maintaining
21 reasonable reserves for contingencies, operations, and repair,
22 replacement and acquisition of common areas and facilities; and
23 shall take into account any expected income and any surplus
24 available from the prior year's operating fund. The Declarant
25 or initial Board may at any suitable time establish the first
26 such estimate. If the sum estimated and budgeted at any time
27 proves inadequate for any reason (including nonpayment for any
28 reason of any owner's assessment), the Board may at any time
29 levy a further assessment, which shall be assessed to the
owners in like proportions.

30 2. Payment by Owners. Each owner shall be obligated to
31 pay assessments made pursuant to this Article to the Board in
32 equal monthly installments on or before the first day of each
month during such year, or in such other reasonable manner as
the Board shall designate, and any unpaid assessments shall
bear interest at the rate of twelve percent per annum from due
date until paid. The budget may be reviewed and revised by the
membership at any annual meeting, or any special meeting called
for such purpose, but if not so reviewed or if no change is
made shall be deemed approved.

30 3. Purpose. All funds collected hereunder shall be ex-
31 pended for the purposes designated in this Declaration.

1 4. Separate Accounts. The Board shall require that the
2 Association maintain separate accounts for current operations,
3 reserves, and a special separate reserve account for payment of
4 insurance. Each month the Board shall first deposit to the
5 insurance reserve account that portion of the common expense
6 assessment necessary to pay at least one-twelfth of the total
7 cost of all of the insurance policies provided regarding the
8 condominium and such insurance reserve account shall be held
separately and inviolate until utilized for payment of insurance
premiums. Thereafter the remainder of the assessments collected
may be utilized for payment of other expenses or deposited or
credited to other accounts. All such assessments shall be
collected and held in trust for, and administered and expended
for the benefit of, the apartment owners.

9 5. Based on Percentage. Except for certain special
10 assessments which may be levied against particular apartments
11 under the provisions of this Declaration, all assessments for
12 common expenses shall be assessed to apartments and the owners
13 thereof on the basis of the percent any apartment owned by the
14 Declarant which is vacant and has not been sold, rented,
15 or leased. Adequate reserves for maintenance, repairs and
16 replacement of those common elements that must be replaced on a
17 periodic basis shall be payable in regular installments rather
18 than by special assessments.

19 6. Omission of Assessment. The omission by the Board or
20 the Association before the expiration of any year to fix the
21 estimate and assessments hereunder for that or the next year,
22 shall not be deemed a waiver or modification in any respect of
23 the provisions of this Declaration, or a release of the owner
24 from the obligation to pay the assessments, or any installment
25 thereof for that or any subsequent year, but the assessment
26 fixed for the preceding year shall continue until a new assessment is
27 fixed.

28 7. Records. The Board shall cause to be kept detailed,
29 accurate records in the form established by the Association's
30 accountant of the receipts and expenditures of the Association,
31 specifying and itemizing the maintenance and repair expenses
32 and any other expense incurred. Such records and any resolutions
authorizing the payments involved shall be available for
examination by any owner, mortgagee, vendor or deed of trust
beneficiary at convenient hours of week days.

33 8. Declarant Liability. Declarant shall not be liable
34 for the portion or portions of any common expense assessment
35 other than for the insurance reserve fund for any apartment
36 owned by the Declarant which is vacant and has not been sold,
37 rented, or leased.

38 9. Lien Indebtedness. Each monthly assessment and each
39 special assessment shall be joint and several personal debts
40 and obligations of the owner or owners and contract purchasers
41 of apartments for which the same are assessed as of the
42 time the assessment is made and shall be collectible as such.
43 The amount of any assessment, whether regular or special,
44 assessed to any apartment and the owner and/or purchaser of any
45 apartment, plus interest at the rate of twelve percent per

Official Records

VOL 362 PAGE 199

7905090046 - 13 -

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1 annum, and costs, including reasonable attorney's fees, shall
2 be a lien upon such apartment, the appurtenant limited common
3 area and the exclusive use thereof. The said lien for payment
4 of such assessments shall have priority over all other liens
5 and encumbrances, recorded or unrecorded, except that such
6 priority shall be limited as provided in RCW 64.32.200(2), and
7 shall not be prior to preexisting mortgages or deed of trust.
8 Suit to recover a money judgment for unpaid assessments shall
9 be maintainable without foreclosure or waiving the lien securing
10 the same. Such suit shall entitle the prevailing party to a
11 judgment for costs and expenses and reasonable attorneys fees
12 in addition to costs otherwise taxable by law.

13 10. Certificate of Assessment. A certificate executed
14 and acknowledged by the treasurer or the president of the Board
15 or an authorized agent thereof if neither the president nor
16 treasurer is available, stating the indebtedness for assessments
17 or lack thereof secured by the assessment lien upon any apart-
18 ment shall be conclusive upon the Board and the owners as to
19 the amount of such indebtedness on the date of the certificate,
20 in favor of all persons who rely thereon in good faith, and
21 such a certificate shall be furnished to any owner or any
22 encumbrancer of an apartment within a reasonable time after
23 request, in recordable form, at a reasonable fee. Unless
24 otherwise prohibited by law, any encumbrancer holding a lien on
25 an apartment may pay any unpaid common expenses payable with
26 respect to such apartment unit and upon such payment such
27 encumbrancer shall have a lien on such apartment for the
28 amounts paid of the same rank as the lien of his encumbrance.

29 11. Security Deposit. An apartment owner may be required,
30 by the Board or by the managing agent, from time to time, to
31 make and maintain a security deposit not in excess of three (3)
32 months estimated monthly assessments, which may be collected
as are other assessments. Such deposit shall be held in a
separate fund, credited to such owner, and resort may be had
thereto at any time when such owner is ten (10) days or more
delinquent in paying his monthly or other assessments.

12. Foreclosure of Assessment Lien; Attorney's Fees and
Costs. The Declarant, manager, or Board on behalf of the
Association may initiate action to foreclose the lien of any
assessment. In any action to foreclose a lien against any
apartment for nonpayment of delinquent assessments, any judgment
rendered against the owner of such apartment in favor of the
Association shall include a reasonable sum for attorney's
fees and all costs and expenses reasonably incurred in prepar-
ation for or in the prosecution of said action, in addition to
taxable costs permitted by law.

13. Rental Value. From the time of commencement of any
action to foreclose a lien against an apartment for nonpayment
of delinquent assessments, the owner or purchaser of such
apartment shall pay to the Association the reasonable rental
value of the apartment to be fixed by the Board, and the
plaintiff in any such foreclosure shall be entitled to the
appointment of a receiver to collect the same, who may, if
said rental is not paid, obtain possession of the apartment,
refurbish it for rental up to a reasonable standard for rental

Official Records

VOL 362 PAGE 200

- 14 -

7905090046

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1 units in this type of condominium, rent the apartment or permit
2 its rental to others, and apply rents first to costs of the
3 receivership and attorney's fees thereof, then to costs of
4 refurbishing the apartment, then to costs, fees and charges, of
the foreclosure action, and then to the payment of the delin-
quent assessment charges.

5 14. Rental Apartments. If an apartment is rented by its
6 owner, the Board may collect and the tenant or lessee shall pay
7 over to the Board so much of the rent for such apartment as is
8 required to pay any amounts due the Board hereunder, plus
9 interest and costs, if the same are in default over thirty (30)
10 days. The renter or lessee shall not have the right to question
11 payment over to the Board, and such payment will discharge the
12 lessee's or renter's duty of payment to the owner for rent, to
13 the extent such rent is paid to the Association, but will not
14 discharge the liability of the owner or purchaser and the
15 apartment under this Declaration for assessments, or operate as
16 an approval of the lease. The Board shall not exercise
17 this power where a receiver has been appointed.

18 15. Termination of Utility Service. In addition to and
19 not by way of limitation upon other methods of collecting any
20 assessments, the Board shall have the right, after having given
21 ten (10) days' notice to any apartment owner who is delinquent
22 in paying his assessments, to cut off any or all utility
23 services to the delinquent owner's apartment until such assess-
24 ments are paid.

25 16. Remedies Cumulative. The remedies provided are
26 cumulative and the Board may pursue them concurrently, as well
27 as any other remedies which may be available under law although
28 not expressed herein.

ARTICLE 12

INSURANCE

29 1. Insurance Coverage. The Board shall obtain and
30 maintain at all times as a common expense a policy or policies
31 and bonds required to provide:

32 (a) Fire insurance, with extended coverage endorsement,
in an amount as near as practicable to the full insurable
replacement value (without deduction for depreciation, but
less any other deductions which the Board may find reasonable
after consultation with insurance consultants) of the common
and limited common areas and the apartments, with the Board
named as insured as trustee for the benefit of owners and
mortgagees as their interest may appear, or such other fire and
casualty insurance as the Board shall determine to give substan-
tially equal or greater protection insuring the owners, and
their mortgagees, as their interests may appear. Said policy
or policies shall provide for separate protection for each
apartment to the full insurable replacement value thereof,
(limited as above provided), and a separate loss payable
endorsement, in favor of the mortgagee or mortgagees of each
apartment, if any, and further, a separate loss payable clause
in favor of the mortgagee of the condominium, if any. All
insurance shall be obtained from an insurance carrier rated
Class VI or better by the State of Washington.

Official Records
VOL 362 PAGE 201

1 (b) General comprehensive liability insurance
2 insuring the Board, the Association, the owners, Declarant and
3 managing agent against any liability to the public or to the
4 owners of apartments and of the common and limited common
5 areas, and their invitees, or tenants, incident to the ownership
6 or use of the common and limited common areas and apartments,
7 (including but not limited to owned and non-owned automobile
8 liability) the liability under which insurance shall be not
9 less than Two Hundred Thousand Dollars (\$200,000.00) for any
10 one person injured, Five Hundred Thousand Dollars (\$500,000.00)
11 for any one accident, and Fifty Thousand Dollars (\$50,000.00)
12 for property damage (such policy limits to be reviewed at least
13 annually by the Board and increased in its discretion).

14 (c) Workmen's compensation insurance to the extent
15 required by applicable laws.

16 (d) Such other insurance as the Board deems advisable.

17 2. Owner's Additional Insurance. Each owner may obtain
18 additional insurance respecting his apartment as contemplated
19 under RCW 64.32.220 and 64.32.010)10 at his own expense; no
20 owner shall, however, be entitled to exercise his right to
21 maintain insurance coverage in any manner which would decrease
22 the amount which the Board, or any trustee for the Board, on
23 behalf of all of the owners, will realize under any insurance
24 policy which the Board may have in force on the condominium at
25 any particular time. Each owner is required to and agrees to
26 notify the Board of all improvements by the owner to his
27 apartment the value of which is in excess of One Thousand
28 Dollars (\$1,000 00). Any owner who obtains individual insurance
29 policies covering any portion of the condominium other than
30 personal property belonging to such owner is hereby required to
31 file a copy of such individual policy or policies with the
32 Board within thirty (30) days after purchase of such insurance,
and the Board shall immediately review its effect with the
Board's insurance broker, agent or carrier.

33 3. Insurance Proceeds. Insurance proceeds for damage
34 or destruction to any part of the property shall be paid to the
35 Board on behalf of the Association which shall segregate such
36 proceeds from other funds of the Association for use and
37 payment as provided for in Article 13. The Association acting
38 through its Board shall have the authority to settle and
39 compromise any claim under insurance obtained by the Association
40 and the insurer may accept a release and discharge of liability
41 made by the Board on behalf of the named insured under the
42 policy.

43 4. Additional Policy Provisions. To the extent deemed
44 practicable and desirable by the Board, after consultation with
45 the Association's insurance broker, agent or carrier, the
46 insurance policy or policies required under Section 1 shall:

47 (a) Provide that the liability of the insurer thereunder
48 shall not be affected by, and that the insurer shall not claim
49 any right of set-off, counterclaim, apportionment, proration,
50 or contribution by reason of any other insurance obtained by
51 or for any apartment owner;

7905090046

- 1 (b) Contain no provision relieving the insurer from
2 liability for loss occurring while the hazard to such buildings
3 is increased, whether or not within the knowledge or control
4 of the Board, or because of any breach of warranty or condition
5 or any other act or neglect by the Board or any apartment owner
6 or any other persons under either of them;
- 7 (c) Provide that such policy may not be cancelled
8 (whether or not requested by the Board) except by the insurer
9 giving at least sixty (60) days' prior written notice thereof
10 to the Board and every other person in interest who shall have
11 requested such notice of the insurer;
- 12 (d) Contain a waiver by the insurer of any right
13 of subrogation to any right of the Board, and the Association,
14 or either against the owner or lessee of any apartment; and
- 15 (c) Contain a standard mortgagee clause which shall:
- 16 (1) Provide that any reference to a mortgagee in
17 such policy shall mean and include all holders of mortgages of
18 any apartment or apartment lease or sublease of the project, in
19 their respective order and preference, whether or not named
20 therein;
- 21 (2) Provide that such insurance as to the interest
22 of any mortgagee shall not be invalidated by any act or neglect
23 of the Board or apartment owners or any persons under any of
24 them;
- 25 (3) Waive any provision invalidating such mortgage
26 clause by reason of the failure of any mortgagee to notify the
27 insurer of any hazardous use or vacancy, and any contribution
28 clause; and
- 29 (4) Provide that without affecting any protection
30 afforded by such mortgagee clause, any proceeds payable under
31 such policy shall be payable to the Board or the insurance
32 trustee.

ARTICLE 13

DAMAGE OR DESTRUCTION: RECONSTRUCTION

1. Initial Board Determinations. In the event of damage
or destruction to any part of the property, the Board shall
promptly, and in all events within sixty (60) days after the
date of damage or destruction, make the following determinations
with respect thereto employing such advice as the Board deems
advisable:
- (a) The nature and extent of the damage or
destruction, together with an inventory of the improvements and
property directly affected thereby.
- (b) A reasonably reliable estimate of the cost
of repair and restoration of the damage and destruction, which
estimate shall, if reasonably practicable, be based upon two or
more firm bids obtained from responsible contractors.

Official Records

VOL 362 PAGE 203

7905090046

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1 (c) The anticipated insurance proceeds, if any, to
2 be available from insurance covering the loss based on the
amount paid or initially offered by the insurer.

3 (d) The amount, if any, that the estimated cost
4 of repair and restoration exceeds the anticipated insurance
proceeds therefor and the amount of assessment to each apartment
5 if such excess was paid as a maintenance expense and specially
assessed against all the apartments in proportion to their
6 percentage of interest in the common areas.

7 (e) The Board's recommendation as to whether such
damage or destruction should be repaired or restored.

8 2. Notice of Damage or Destruction. The Board shall
9 promptly, and in all events within sixty (60) days after the
date of damage or destruction, provide each owner, and each
10 mortgagee who has theretofore requested special notice, with a
written notice summarizing the initial Board determination made
11 under Section 1. If the Board fails to do so within said sixty
(60) days, then any owner or mortgagee may make the determina-
12 tions required under Section 1 and give the notice required
under this Section 2.

13 3. Definitions: Restoration; Emergency Work.

14 (a) As used in this Article 13, the words "repair",
15 "reconstruct," "rebuild" or "restore" shall mean restoring the
improvements to substantially the same condition in which they
16 existed prior to the damage or destruction, with each apartment
and the common and limited common areas having substantially
17 the same vertical and horizontal boundaries as before. Modifi-
cations to conform to then applicable governmental rules and
18 regulations or available means of construction may be made.

19 (b) As used in this Article 13, the term "emergency
work" shall mean that work which the Board deems reasonably
20 necessary to avoid further damage, destruction or substantial
diminution in value to the improvements and to reasonably
21 protect the owners from liability from the condition of the
site.

22 4. Restoration by Board.

23 (a) Unless, prior to the commencement of repair
24 and restoration work (other than emergency work), the owners
shall have decided not to repair and reconstruct in accordance
25 with the provisions of either subsection 5(b) or 6(c), the
Board shall promptly repair and restore the damage and destruc-
26 tion, use the available insurance proceeds therefor, and pay
for the actual cost of repair and restoration in excess of
27 insurance proceeds secured as a common expense which shall be
specially assessed against all apartments in proportion to
28 their percentages of interest in the common areas.

29 (b) The Board shall have the authority to employ
architects and attorneys, advertise for bids, let contracts to
30 contractors and others, and to take such other action as is
reasonably necessary to effectuate the repair and restoration.

Official Record

VOL 362 PAGE 204

7905090046

1 Contracts for such repair and restoration shall be awarded when
2 the Board, by means of insurance proceeds and sufficient
3 assessments, has provision for the costs thereof. The Board
4 may further authorize the insurance carrier to proceed with
5 repair and restoration upon satisfaction of the Board that such
6 work will be appropriately carried out.

7 (c) The Board may enter into a written agreement in
8 recordable form with any reputable financial institution or
9 trust or escrow company that such firm or institution shall
10 act as an insurance trustee to adjust and settle any claim for
11 such loss in excess of \$50,000.00, or for such firm or insti-
12 tution to collect the insurance proceeds and carry out the
13 provisions of this Article.

14 5. Limited Damage; Assessment Under \$3,500. If the amount
15 of the estimated assessment determined under subsection 1(d)
16 does not exceed \$3,500.00, for any one apartment, then the
17 provisions of this section 5 shall apply:

18 (a) Either the Board or a requisite number of owners,
19 within fifteen (15) days after the notice required under
20 Section 2 has been given, may, but shall not be required to,
21 call a special owners' meeting in accordance with Article 8 to
22 consider such repair and restoration work.

23 (b) Except for emergency work, no repair and restor-
24 ation work shall be commenced until after said fifteen (15) day
25 period and until after the conclusion of said special meeting
26 if such meeting is called within said fifteen (15) days.

27 (c) A unanimous decision of the apartment owners and
28 mortgagees or beneficiaries of deeds of trust will be required to
29 avoid the provisions of subsection 4(a) and to determine not to
30 repair and restore the damage and destruction; provided, that the
31 failure of the Board or the owners within said fifteen (15) day
32 period to call for said special meeting shall be deemed a unanimous
33 decision to undertake such work.

34 6. Major Damage; Assessment Over \$3,500. If the amount of
35 the estimated assessment determined under subsection 1(d)
36 exceeds \$3,500 for any one apartment, then the provisions of
37 this Section 6 shall apply:

38 (a) The Board shall promptly, and in all events
39 within sixty (60) days after the date of damage or destruction,
40 call a special owners' meeting to consider repair and restoration
41 of such damage or destruction. If the Board fails to do so
42 within said sixty (60) day period, then notwithstanding the
43 provisions of Article 8 any owner or mortgagee may convene and
44 conduct the meeting required under this subsection 6(a).

45 (b) Except for emergency work, no repair and restor-
46 ation work shall be commenced until the conclusion of the
47 special owners' meeting required under subsection 6(a).

48 (c) A concurring vote of more than two-thirds (2/3)
49 of the total voting power, including mortgagees and beneficiaries
50 of deeds of trust, will be required to avoid the provision of
51 subsection 4(a) and to determine not to repair and restore the
52 damage and destruction; provided, however, that failure of

1 meeting required under subsection 6(a) within ninety (90) days
2 after the date of damage or destruction shall be deemed a
3 unanimous decision not to undertake such repair and restoration
4 work.

5 7. Decision Not to Restore; Disposition. In the event of
6 a decision under either subsections 5(b) or 6(c) not to repair
7 and restore damage and destruction, the Board may nevertheless
8 expend such of the insurance proceeds and common funds as the
9 Board deems reasonably necessary for emergency work (which
10 emergency work may include but is not necessarily limited to
11 removal of the damaged or destroyed buildings and clearing,
12

13 (d) The property shall be subject to an action for
14 partition at the suit of any apartment owner in which event the
15 net proceeds of sale, together with the net proceeds of the
16 insurance of the property, if any, shall be considered as one
17 fund; such fund shall be divided into separate shares, one for
18 each apartment owner, in a percentage equal to the percentage
19 of undivided interest owned by each such owner in the property;
20 then, after first paying out of the respective share of each
21 apartment owner, to the extent sufficient for the purpose, all
22 mortgages and liens on the undivided interest in the property
23 owned by such apartment owner, the balance remaining in each
24 share shall then be distributed to each apartment owner
25 respectively.

26 8. Miscellaneous. The provisions of this Article 13 shall
27 constitute the procedure by which a determination is made by
28 the apartment owners to repair, restore, reconstruct or rebuild
29 as provided in the Act. Notwithstanding any other provision
30 contained hereinabove to the contrary, any decision not to restore
31 must be made with the concurrence of at least 67% of all mortgagees
32 or beneficiaries under deeds of trust. By the act of accepting an
interest in the property, each apartment owner and party claiming
by, through or under such owner hereby consents and agrees to the
provisions hereof. In the event that any provision of this
Article 13 shall be determined to be invalid or unenforceable
by any court of competent jurisdiction, such determination shall
not effect the validity of any other provision of this Declaration.
The purpose of this Article 13 shall be to provide a fair and
equitable method of allocating the costs of repair and restoration
and making a determination for repair and restoration if all or a
portion of the improvements are damaged or destroyed. The provi-
sions of this Article 13 shall be liberally construed to accomplish
such purpose. The dollar amounts specified in this Article 13 may,
in the discretion of the Board, be increased proportionately by the
increase in the consumer price index (or any replacement standard)
for all items prepared by the United States Department of Labor for
the year preceding the damage over the year 1978 to adjust for any
inflation in the value of the dollar. By unanimous vote the
apartment owners (which vote shall be taken within ninety (90)
days after the damage or destruction) may determine to do otherwise
than as provided in this Article 13.

ARTICLE 14

CONDEMNATION

1. Consequences of Condemnation. If at any time or times

Official Records

VOL 362 PAGE 206

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7905090046

1 during the continuance of the condominium ownership pursuant to
2 this Declaration, all or any part of the property shall be
3 taken or condemned by any public authority or sold or otherwise
4 disposed of in lieu of or in advance thereof, the provisions of
5 this Article 14 shall apply.

6 2. Proceeds. All compensation, damages, or other proceeds
7 therefrom, the sum of which is hereinafter called the "Condemna-
8 tion Award," shall be payable to the Association.

9 3. Complete Taking. In the event that the entire property
10 is taken or condemned, or sold or otherwise disposed of in lieu
11 of or in avoidance thereof, the condominium ownership pursuant
12 thereto shall terminate. The Condemnation Award shall be
13 apportioned among the owners in proportion to the respective
14 undivided interest in the common area; provided, that if a
15 standard different from the value of the property as a whole is
16 employed to measure the Condemnation Award in the negotiation,
17 judicial decree, or otherwise, then in determining such shares
18 the same standard shall be employed to the extent it is relevant
19 and applicable. On the basis of the foregoing principal, the
20 Board shall as soon as practicable determine the share of the
21 Condemnation Award to which each owner is entitled. After
22 first paying out of the respective share of each owner, to the
23 extent sufficient for the purpose, all mortgages and liens on
24 the interest of such owner, the balance remaining in each share
25 shall then be distributed
26 to each owner respectively.

27 4. Partial Taking. In the event that less than the entire
28 property is taken or condemned, or sold or otherwise disposed
29 of in lieu of or in avoidance thereof, the condominium ownership
30 hereunder shall not terminate. Each owner shall be entitled to
31 a share of the Condemnation Award to be determined in the
32 following manner:

33 (a) As soon as practicable the Board shall, reasonably
34 and in good faith, allocate the Condemnation Award between
35 compensation, damages, or other proceeds.

36 (b) The Board shall apportion the amounts so allocated
37 to taking of or injury to the common areas which in turn shall
38 be apportioned among owners in proportion to their respective
39 undivided interests in the common areas.

40 (c) The total amount allocated to severance damages
41 shall be apportioned to those apartments which were not taken
42 or condemned.

43 (d) The respective amounts allocated to the taking of
44 or injury to a particular apartment and/or improvements an
45 owner had made within his own apartment shall be apportioned to
46 the particular apartment involved.

47 (e) The amount allocated to consequential damages and
48 any other takings or injuries shall be apportioned as the Board
49 determines to be equitable under the circumstances.

50 (f) If an allocation of the Condemnation Award is

Official Records

VOL 362 PAGE 207

- 21 -

7905090046

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1 already established in negotiation, judicial decree, or other-
2 wise, then in allocating the Condemnation Award the Board shall
3 employ such allocation to the extent it is relevant and
4 applicable.

4 (g) Distribution of apportioned proceeds shall be
5 made to the respective owners and their respective mortgagees
6 in the manner provided in Section 3.

6 5. Reconstruction and Repair. Any reconstruction and
7 repair necessitated by condemnation shall be governed by the
8 procedures specified in Article 13 above, provided that the
9 Board may retain and apply such portion of each owner's share
of the Condemnation Award as is necessary to discharge said
owner's liability for any special assessment arising from the
operation of said Article 13.

10 ARTICLE 15

11 COMPLIANCE WITH DECLARATION

12 1. Enforcement. Each owner shall comply strictly with the
13 provisions of this Declaration and with the Bylaws and adminis-
14 trative rules and regulations passed hereunder, as the same may
15 be lawfully amended from time to time, and with all decis-
16 ions adopted pursuant to this Declaration and the Bylaws and
17 administrative rules and regulations. Failure to comply shall
18 be grounds for an action to recover sums due for damage, or
19 injunctive relief, or both, maintainable by the Board acting
20 through its officers on behalf of the owners, or by the
21 aggrieved owner on his own.

17 2. No Waiver of Strict Performance. The failure of the
18 Board in any one or more instances to insist upon the strict
19 performance of any of the terms, covenants, conditions or
20 restrictions of this Declaration, or of the Bylaws, or to
21 exercise any right or option contained in such documents, or to
22 serve any notice or to institute any action, shall not be
23 construed as a waiver or a relinquishment for the future of
24 such term, covenant, condition or restriction, but such term,
25 covenant, condition or restriction shall remain in full force
26 and effect. The receipt by the Board of any assessment from an
owner, with knowledge of any such breach shall not be deemed a
waiver of such breach, and no waiver by the Board of any
provision hereof shall be deemed to have been made unless
expressed in writing and signed by the Board. This
section also extends to the Declarant or Declarant's managing
agent, exercising the powers of the Board during the initial
period of operation of the Association and the condominium
development.

27 ARTICLE 16

28 LIMITATION OF LIABILITY

29 1. Liability for Utility Failure, Etc. Except to the
30 extent covered by insurance obtained by the Board pursuant to
31 Article 12, neither the Association nor the Board (or the
32 Declarant or Declarants' managing agent exercising the powers

Official Record
VOL 362 PAGE 208

- 22 -

7905090046

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1 to the Board) shall be liable for: any failure of any utility
2 or other service to be obtained and paid for by the Board; or
3 for injury or damage to person or property caused by the
4 elements, or resulting from electricity, water, rain, dust or
5 sand which may lead or flow from outside or from any parts of
6 the buildings, or from any of its pipes, drains, conduits,
7 appliances, or equipment, or from any other place; or for
8 inconvenience or discomfort resulting from any action taken to
9 comply with any law, ordinance or orders of a governmental
10 authority. No diminution or abatement of common expense
11 assessments shall be claimed or allowed for any such utility or
12 service failure, or for such injury or damage, or for such
13 inconvenience or discomfort.

14 2. No Personal Liability. So long as a Board member, or
15 Association committee member, or Association officer, or
16 Declarant or Declarant's managing agent exercising the powers
17 of the Board, has acted in good faith, without willful or
18 intentional misconduct, upon the basis of such information as
19 may be possessed by such person, then no such person shall be
20 personally liable to any owner, or to any other party, including
21 the Association, for any damage, loss or prejudice suffered or
22 claimed on account of any act, omission, error or negligence of
23 such person; provided, that this section shall not apply to the
24 extent that the consequences of such act, omission, error or
25 negligence are covered by insurance obtained by the Board
26 pursuant to Article 12.

27 3. Indemnification of Board Members. Each Board member or
28 Association committee member, or Association officer, or
29 Declarant or Declarant's managing agent exercising the powers
30 of the Board, shall be indemnified by the owners against all
31 expenses and liabilities, including attorney's fees, reasonably
32 incurred by or imposed in connection with any proceeding to
33 which he may be a party, or in which he may become involved, by
34 reason of being or having held such position, or any settlement
35 thereof, whether or not he holds such position at the time such
36 expenses or liabilities are incurred, except in such cases
37 where such person is adjudged guilty of willful misfeasance or
38 malfeasance in the performance of his duties; provided, that,
39 in the event of a settlement, the indemnification shall apply
40 only when the Board approves such settlement and reimbursement
41 as being for the best interests of the Association. This
42 section shall extend to and apply also for the indemnification
43 of the Declarant or for the indemnification of the manager, if
44 any.

ARTICLE 17

MORTGAGE PROTECTION

1 1. Priority of Mortgages. Notwithstanding all other
2 provisions hereof and as provided in the Act, the liens created
3 under this Declaration upon any apartment for assessments shall
4 be subject to the rights of the secured party in the case of
5 any indebtedness secured by mortgages or deeds of trust which
6 were made in good faith and for value upon the apartment.
7 Where such mortgagee of the apartment as defined in Article 18,
8 or other purchaser of an apartment, obtains possession of an

Official Records
VOL 362 PAGE 209

- 23 -

7905090046

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ATTORNEYS AT LAW
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MOUNT VERNON, WASHINGTON 98273
TELEPHONE (206) 336-6502

1 apartment as a result of mortgage foreclosure or deed of trust
2 sale, such possessor and his successors and assigns, shall not
3 be liable for the share of the common expenses or assessments
4 by the Association chargeable to such apartment which became
5 due prior to such possession, but will be liable for the common
6 expenses and assessments accruing after such possession. Such
unpaid share of common expenses or assessments shall be
deemed to be common expenses collectible from all of the
apartment owners including such possessor, his successor and
assigns.

7 2. Change in Manager. In the event that professional
8 management is employed by the Association, at least thirty (30)
9 days' notice of any contemplated change in the professional
10 manager shall be given to any institutional first mortgagee or
11 institutional deed of trust beneficiary which has requested to
12 be notified, and the agreement with such professional manager
13 shall permit cancellation on ninety (90) days' written notice
14 and shall have a term not in excess of three (3) years.

15 3. Abandonment of Condominium Status. Except when acting
16 pursuant to the provisions of the Act involving damage, destruc-
17 tion, or condemnation, the Association shall not, without
18 consent of all institutional first mortgagees and institutional
19 first deed of trust beneficiaries of any apartment, seek to
20 abandon the condominium status of the project.

21 4. Partitions and Subdivision. The Association shall not
22 partition or subdivide any apartment or the appurtenant common
23 and limited common elements, or accept any proposal so to do,
24 without the prior approval of all institutional first mortgagees
25 or institutional first deed of trust beneficiaries of the
26 apartment being subdivided or partitioned.

27 5. Change in Percentages. The Association shall not
28 change the percentages of interest in the common areas without
29 the prior approval of all institutional first mortgagees or
30 institutional first deed of trust beneficiaries of the apart-
31 ments, for which the percentages would be changed.

32 6. Copies of Notices. In the event the Association gives
to any owner of an apartment any notice that such owner has for
more than thirty (30) days failed to meet any obligation under
the condominium documents, it shall also give a copy of
such notice to any institutional first mortgagee or institutional
first deed of trust beneficiary which has requested to be so
notified.

 7. Effect of Declaration Amendments. No amendment of this
Declaration shall be effective to modify, change, limit or
alter the rights expressly conferred upon mortgagees in this
instrument with respect to any unsatisfied mortgage duly
recorded unless the amendment shall be consented to in writing
by the holder of such mortgage.

 8. Insurance. Where the mortgagee of an apartment as
defined in Article 18 has filed a written request with the
Board, or where the mortgagee of the condominium has filed a
written request with the Board or is known to the Board, the
Board shall:

Official Records

VOL 362 PAGE 210

- 24 -

7905090046

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1 (a) Furnish the mortgagee with a copy of any insurance
2 policy or evidence thereof which is intended to cover the
apartment on which such mortgagee has a lien;

3 (b) Require any insurance carrier to give such mortgagee
4 at least ten (10) days' written notice before cancelling any
5 insurance with respect to such property on which mortgagee has
a lien;

6 (c) Not make any settlement of any insurance claims for
7 loss or damage to any such apartment exceeding \$1,000.00
8 without the approval of such mortgagee; provided, that the
withholding of such approval shall not be unreasonable or in
conflict with the provisions of Article 13.

9 (d) Give the mortgagee written notice of any loss or
10 taking affecting common areas, if such loss or taking exceeds
\$10,000.00.

11 9. Inspection of Books. Institutional first mortgages
12 and institutional deed of trust beneficiaries shall be entitled
13 to inspect at all reasonable hours of week days all of the
books and records of the Association and shall also receive
copies of all reports of audits and audited financial statements.

14 ARTICLE 18

15 MORTGAGEE'S RIGHTS AFTER FORECLOSURE

16 1. Apartment and Condominium Mortgagee. Mortgagee of the
17 apartment refers to the holder of the mortgage or deed of trust
18 on an apartment which was recorded simultaneous with or after
19 the recordation of this Declaration. Mortgagee of the condomin-
ium refers to the holder of the deed of trust or mortgage on
the real property which this Declaration affects and which was
executed and recorded prior to the recordation of this Declaration.

20 2. Obtaining Declarant's Powers. In the event the mort-
21 gagee of the condominium becomes bound by this Declaration by
22 granting one or more partial releases or otherwise, and fore-
23 closes its mortgage or deed of trust and obtains possessory
24 rights, legal title, or certificates of sale to the unsold
apartment or apartments and appurtenant common areas covered by
the respective deed of trust or mortgage liens, then the
mortgagee of the condominium may succeed to and assume, to the
exclusion of the Declarant, the powers of the Declarant as set
forth in this Declaration.

25 3. Extension of Declarant's Powers. In the event the
26 mortgagee of the condominium commences a foreclosure or
27 accepts title to the unsold units by deed in lieu of foreclosure,
28 during the time the Declarant may perform all Board functions
29 pursuant to Article 9, then said powers conferred upon Declarant
30 by said Section, and to which the mortgagee of the condominium
31 may succeed, shall be extended for an additional two (2) years.
The mortgagee of the condominium shall be entitled to appoint a
receiver during the pendency of any foreclosure and said
receiver shall immediately, upon appointment, succeed to and
assume the rights and powers of the Declarant as set forth in
this Declaration, and the receiver shall be entitled to sell

Official Record
VOL 362 PAGE 211

7905090046

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1 adjoining apartments and common and limited common areas
2 shall be permitted, and that there shall be valid easements for
3 the maintenance of said encroachments so long as they shall
4 exist. The foregoing encroachments shall not be construed to
5 be encumbrances affecting the marketability of title to any
6 apartment.

7 ARTICLE 20

8 INTERPRETATION

9 1. Liberal Construction. The provisions of this Declara-
10 tion shall be liberally construed to effectuate its purpose of
11 creating a uniform plan for the development and operation of
12 this Horizontal Property Regime under the provisions of Washington
13 law. It is intended and covenanted also that, insofar as it
14 affects this Declaration and condominium, the provisions of the
15 Act referenced herein under which this Declaration is operative,
16 shall be liberally construed to effectuate the intent of this
17 Declaration insofar as reasonably possible.

18 2. Consistent with Act. The terms such as, but not
19 limited to, "apartment," "apartment owner," "association of
20 apartment owners," "building," "limited common areas," and
21 "property," used herein are intended to have the same meaning
22 given in the Act unless the context clearly requires otherwise
23 or to so define the terms would produce an illegal or improper
24 result.

25 3. Covenant Running with Land. It is intended that this
26 Declaration shall be operative as a set of covenants running
27 with the land, or equitable servitudes, supplementing and
28 interpreting the Act, and operating independently of the Act
29 should the Act be, in any respect, inapplicable.

30 4. Apartment and Building Boundary. In interpreting the
31 Survey Map and Plans, the existing physical boundaries of the
32 building and each apartment as constructed shall be conclusively
presumed to be its boundaries.

1 "Person," etc. When interpreting this Declaration, the
2 term "person" may include natural persons, partnerships,
3 corporations, associations, and personal representatives. The
4 term "mortgage" may be read to include deeds of trust. The
5 singular may include the plural and the masculine may include
6 the feminine, or vice versa, where the context so admits or
7 requires.

8 6. Declarant is Original Owner. Declarant is the original
9 owner of all apartments and property and will continue to be
10 deemed the owner thereof except as conveyances or documents
11 changing such ownership regarding specifically described
12 apartments are filed of record.

13 7. Captions and Schedules. Captions given to the various
14 Articles and Sections herein are for convenience only and are
15 not intended to modify or affect the meaning of any of the sub-
16 stantive provisions heretofore. The various schedules referred to
17 herein and attached hereto shall be deemed incorporated herein

Official Records

VOL 362 PAGE 213

- 27 -

7905090046

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MOUNT VERNON, WASHINGTON 98273
TELEPHONE (206) 336-6502

1 of any of the substantive provisions hereof. The various
2 schedules referred to herein and attached hereto shall be
3 deemed incorporated herein by reference as though fully set
4 forth where such reference is made.

5 ARTICLE 21

6 PROCEDURES FOR SUBDIVIDING OR COMBINING

7 Subdivision and/or combining of any apartment or apartments,
8 common areas and facilities, or limited common areas and
9 facilities are authorized only as follows:

10 1. Any owner of any apartment or apartments may propose
11 any subdividing or combining of an apartment or apartments, and
12 appurtenant common areas or limited common areas in writing,
13 together with complete plans and specifications for accomp-
14 lishing the same and a proposed amendment to the Declaration,
15 Survey Map and Plans covering such subdividing or combining, to
16 the Board, which shall then notify all other apartment owners
17 of the requested subdivision or combination.

18 2. Upon written approval of such proposal by sixty-six
19 and two-thirds percent (66 2/3%) of the owners, the owner
20 making the proposal may proceed according to such plans and
21 specifications; provided that the Board may in its discretion
22 (but it is not mandatory that the Board exercise this authority)
23 require that the Board administer the work or that provisions
24 for the protection of other apartments or common areas or
25 reasonable deadlines for completion of the work be inserted in
26 the contracts for the work.

27 3. The changes in the Survey Map, if any, and the changes
28 in the Plans and Declaration shall be placed of record as
29 amendments to the Survey Map, Plans, and Declaration of Condo-
30 minium in accordance with the provisions of Article 22.

31 ARTICLE 22

32 AMENDMENT OF DECLARATION, SURVEY MAP, PLANS

1. Declaration Amendment. Amendments to the Declaration
shall be made by an instrument in writing entitled "Amendment
to Declaration" which sets forth the entire amendment. Except
as otherwise specifically provided for in this Declaration, any
proposed amendment must be approved by a majority of the Board
prior to its adoption by the Owners. Amendments may be adopted
at a meeting of the owners if sixty-six and two thirds percent
(66 2/3%) of the owners vote for such amendment, or without any
meeting if all owners have been duly notified and sixty-six and
two-thirds percent (66 2/3%) of the owners consent in writing
to such amendment. In all events, the amendment when adopted
shall bear the signature of the president of the Association
and shall be attested by the secretary, who shall state whether
the amendment was properly adopted, and shall be acknowledged
by them as officers of the Association. Amendments once
properly adopted shall be effective upon recording in the
appropriate governmental offices. Any decision changing
the values and percentage of interest expressed herein,

1 except as provided herein, shall require the unanimous consent
2 of the apartment owners and their mortgagees. It is specific-
3 ally covenanted and understood that any amendment to this
4 Declaration properly adopted will be completely effective to
5 amend any or all of the covenants, conditions and restrictions
6 contained herein which may be affected and any or all clauses
7 of this Declaration or Survey Map and Plans unless otherwise
8 specifically provided in the section being amended or the
9 amendment itself.

6 2. Map and Plans Amendment. Except as otherwise provided
7 herein, the Survey Map and Plans may be amended by revised
8 versions or revised portions thereof referred to and described
9 as to effect in an amendment to the Declaration adopted as
10 provided for herein. Copies of any such proposed amendment to
11 the Survey Map and Plans shall be made available for the
12 examination of every owner. Such amendment to the Survey
13 Map and Plans shall also be effective, once property adopted,
14 upon recordation in the appropriate county office in conjunction
15 with the Declaration amendment.

12 3. Amendments by Declarant. The Declarant may at any
13 time record an amendment to the Declaration showing, correcting
14 or revising the assignment of parking spaces to apartments and,
15 during the initial one (1) year changing the person who is
16 to receive service of process, and such amendment need be
17 acknowledged only by the Declarant and need not otherwise
18 comply with the requirements of this Article 22.

16 4. Amendments to Conform to Construction. In addition,
17 Declarant, upon Declarant's sole signature, may file an amend-
18 ment to the Declaration and to the Survey Map and Plans, from
19 time to time, to conform them to the actual location of any of
20 the constructed improvements and to establish, vacate and
21 relocate utility easements, access road easements and parking
22 areas.

20 5. Discontinuance of Condominium. It is further specifi-
21 cally covenanted that any decision or failure to act by the
22 owners under this Declaration or any applicable provision of
23 law which intends or requires discontinuance of this condomin-
24 ium or removal of the property from the provisions of the Act,
25 shall, if such decision or failure to act is sufficient as
26 respect Horizontal Property Regimes under the Act, also termin-
27 ate and discontinue the effect of any and all of the covenants,
28 conditions, and restrictions set forth herein, and all provis-
29 ions of the Survey Map and Plans, unless other specific provision
30 is made by recorded amendments to the Declaration, and, if
31 required, to the Survey Map and Plans.

26 ARTICLE 23

27 MISCELLANEOUS

28 1. Service of Process. Mr. James Fellman whose address
29 is *1524 RIVERSIDE DR, MOUNT VERNON* Washington 98273 is the
30 person whom process may be served as provided for in the Act.
31 After organization of the Association, service of process for
32 the purposes provided in the Act may also be made upon the

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1 president of the Association. The Board may at any time
2 designate a new or different person or agency for such purposes
3 by filing an amendment to this Declaration limited to the
4 sole purpose of making such change, and such amendment need
5 only be signed and acknowledged by the then president of the
6 Association. The Declarant may, at any time before the Board
7 is organized, change such designation by amendment to the
8 Declaration signed and acknowledged only by Declarant.

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2. Notices for All Purposes.

(a) Delivery of Notice. Any notice permitted or required to be delivered under the provisions of this Declaration or the Bylaws may be delivered either personally or by mail. If delivery is made by mail, any such notice shall be deemed to have been delivered twenty-four (24) hours after a copy has been deposited in the United States mail, postage prepaid, for first class mail, addressed to the person entitled to such notice at the most recent address given by such person to the Board, in writing, for the purpose of service of such notice, or to the most recent address known to the Board. Notice to the owner or owners of any apartment shall be sufficient if mailed to the apartment of such person or persons if no other mailing address has been given to the Board by any of the persons so entitled. Mailing addresses may be changed from time to time by notice in writing to the Board. Notice to be given to the Board may be given to Declarant until the Association and Board have been constituted and thereafter shall be given to the president or secretary of the Board.

(b) Mortgagee Notice. Upon written request therefor, a vendor, mortgagee, or deed of trust beneficiary of any apartment shall be entitled to be sent a copy of any notices respecting the apartment covered by his security instrument until the request is withdrawn or the security right discharged.

3. Mortgagee's Acceptance.

(a) Priority of Mortgage. Island Savings & Loan Association holds a mortgage covering all of the property described herein and heretofore filed with the Skagit County Auditor. Said mortgagee shall not have executed this Declaration at the time it is initially filed. This Declaration shall not initially be binding upon said mortgagee but rather shall be subject and subordinate to said mortgage.

(b) Acceptance Upon First Conveyance. Declarant shall not consummate the conveyance of title of any apartment until said mortgagee shall have accepted the provisions of this Declaration and made appropriate arrangements, in accordance with the Act, for partial release of apartments with their appurtenant limited common areas and percentages of interest in common areas from the lien of said mortgage. The issuance and recording of the first such partial release by said mortgagee shall constitute its acceptance of the provisions of this Declaration and the condominium status of the apartments remaining subject to its mortgage as well as its acknowledgment that such appropriate arrangements for partial release of

Official Records

VOL 362 PAGE 216

- 30 -

7905090046

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1 apartments have been made; provided, that, except as to apart-
2 ments so released, said mortgage shall remain in full effect
3 for the entire property.

4 4. Severability. The provisions hereof shall be deemed
5 independent and severable, and the invalidity or partial
6 invalidity or unenforceability of any one provision or portion
7 thereof shall not affect the validity or enforceability of any
8 other provision hereof, if the remainder complies with the Act
9 or as covenants effect the common plan.

10 5. Effective Date. This Declaration shall take effect
11 upon recording.

12 6. Reference to Survey Map and Plans. The Survey Map and
13 Plans of the building referred to herein were filed with the
14 Auditor of Skagit County, Washington, simultaneously with the
15 recording of this Declaration and are incorporated herein by
16 this reference as though fully set forth.

17 DATED THIS 8th day of May, 1979.

18 DECLARANTS:

19 FELLMAN ENTERPRISES, INC.

20 BY James R. Fellman
21 JAMES FELLMAN President

22 BY Dorothy Fellman
23 DOROTHY FELLMAN Secretary

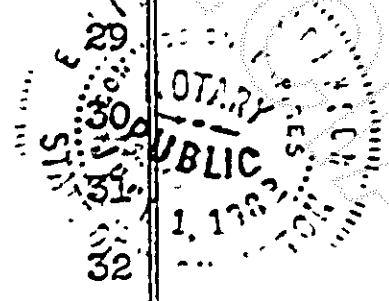
24 A. Elliott Johnson
25 A. ELLIOTT JOHNSON

26 Eileen W. Johnson
27 EILEEN W. JOHNSON

28 STATE OF WASHINGTON)
29)SS
30 COUNTY OF SKAGIT)

31 On this 8th day of May, 1979, before me, personally appeared
32 JAMES FELLMAN, and DOROTHY FELLMAN, to me known to be the individuals
of the corporation that executed the within and foregoing instrument,
and acknowledged said instrument to be the free and voluntary act and
deed of said corporation, for the uses and purposes therein mentioned,
and on oath state that they were authorized to execute the said
instrument and that the seal affixed is the corporate seal of said
corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
official seal the day and year above-written.



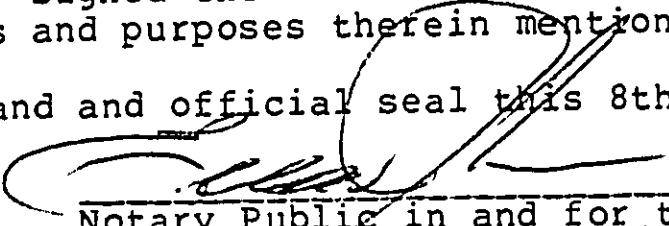
[Signature]
Notary Public in and for the State of
Washington, residing at 111 1/2

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1 STATE OF WASHINGTON)
2)SS
3 COUNTY OF SKAGIT)

4 On this day personally appeared before me A. ELLIOTT JOHNSON
5 and EILEEN W. JOHNSON, husband and wife, to me known to be the indivi-
6 duals deccribed in and who executed the within and foregoing instrument,
7 and acknowledged that they signed the same as their free and voluntary
8 act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 8th day of May,


Notary Public in and for the State of
Washington, residing at MTV

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7905090046

-32-

Official Records

VOL 362 PAGE 218

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SCHEDULE "A"

<u>Unit No.</u>	<u>Location</u>	<u>No. of Bedrooms</u>	<u>No. of Floors</u>	<u>Approx. Sq. Feet of Apt. Deck Storage Area</u>	<u>Assessed Value</u>	<u>Percentage Interest In Common Area</u>
1	The southerly and westerly most unit as shown on page 1 of the survey map and plans recorded herewith. Deck is located on the south-west side of the apartment and storage area is located on the lower floor at the north-easterly corner of unit no. 2 .	3	2	1200 90	53	\$40,000.00 10%
2	Adjoining unit no. 1 on its northeasterly side as shown on page 1 of the survey map and plans recorded herewith. Deck is located on the north-westerly side of the apartment and storage area is located on the lower floor adjoining and north-east of storage unit no. 1.	3	2	1200 125	53	40,000.00 10%
3	Adjoining unit no. 2 on its northeasterly side as shown on page 1 of the survey map and plans recorded herewith. Deck is located on the north-westerly side of the apartment and storage area is located on the lower floor under the access stairway on the north-easterly side of the apartment.	2	1	865 100	25	35,000.00 10%

Official Records

VOL 362 PAGE 219

7905090046

SCHEDULE "A"

<u>Unit No.</u>	<u>Location</u>	<u>No. of Bedrooms</u>	<u>No. of Floors</u>	<u>Apt. No.</u>	<u>Sq. Feet of Deck</u>	<u>Feet of Storage Area</u>	<u>Assessed Value</u>	<u>Percentage Interest In Common Area</u>
4	Adjoining unit no. 3 on its northeasterly side as shown on page 1 of the survey map and plans recorded herewith. Deck is located on the northwesterly side of the apartment and storage area is located on the lower floor on the southwesterly side of the apartment directly adjoining storage unit no. 3 on its northwest line.	2	1	865	100	50	35,000.00	10%
5	Adjoining unit no. 4 on its northeasterly side as shown on page 1 of the survey map and plans recorded herewith. Deck is located on the northwesterly side of the apartment and storage area is located on the lower floor on the northwesterly side of the apartment under the access stairway.	2	1	865	100	25	\$35,000.00	10%
6	Adjoining unit no. 5 on its northeasterly side as shown on page 1 of the survey map and plans recorded herewith. Deck is located on the northwesterly side of the apartment and storage area is located on the lower floor on the southwesterly side of the apartment directly adjoining storage unit no. 5 on its northwest side.	2	1	865	100	50	35,000.00	10%

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SCHEDULE "A"

<u>Unit No.</u>	<u>Location</u>	<u>No. of Bedrooms</u>	<u>No. of Floors</u>	<u>Approx. Sq. Feet of Apt. Deck Storage Area</u>	<u>Assessed Value</u>	<u>Percentage Interest In Common Area</u>
7	Adjoining unit no. 6 on its northeasterly side as shown on page 1 of survey map and plans recorded herewith. Deck is located on the northwesterly side of the apartment and storage area is located on the lower floor on the north-easterly side of the apartment and under the access stairway.	2	1	865 100 25	\$35,000.00	10%
8	Adjoining unit no. 7 on its northeasterly side as shown on page 1 of the survey map and plans recorded herewith. Deck is located on the northwesterly side of the apartment and storage area is located on the lower floor on the southwesterly side of the apartment directly adjoining storage unit no. 7 on its north-west line.	2	1	865 100 50	35,000.00	10%
9	Adjoining unit no. 8 on its northeasterly side as shown on the survey map and plans recorded herewith. Deck is located on the northwest side of apartment and storage area is located on the lower floor on the southwest side of the apartment directly adjoining the storage area no. 10 on its southwesterly side.	3	2	1200 125 53	40,000.00	10%

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SCHEDULE "A"

<u>Unit No.</u>	<u>Location</u>	<u>No. of Bedrooms</u>	<u>No. of Floors</u>	<u>Approx. Sq. Feet of Apt. Deck</u>	<u>Sq. Feet of Storage Area</u>	<u>Assessed Value</u>	<u>Percentage Interest In Common Area</u>	
10	The northerly and easterly most unit, directly adjoining unit no. 9 on its northeast side as shown on page 1 of the survey map and plans recorded herewith. Deck is located on the north-easterly side of the apartment and storage area is located on the southwesterly side of apartment no. 9 adjoining unit no. 9 on its southwest side.	3	2	1200	90	53	40,000.00	10%
Totals		24		9990	1030	437	\$370,000.00	100%

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