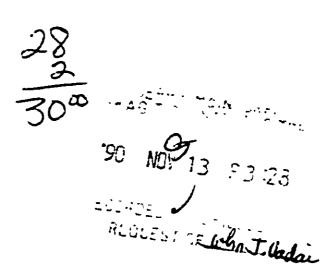
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DECLARATION

FOR

"BAYSIDE WEST, A CONDOMINIUM"

(located at 2401 Skyline Way, Anacortes, Washington)

VOL 942 PAGE 85

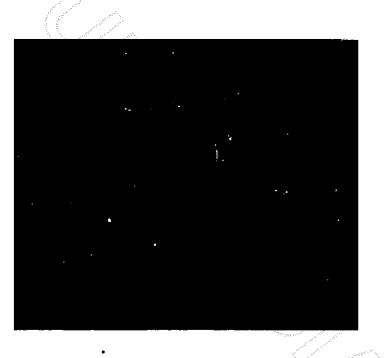
9011130073

PLEASE RETURN TO:
JOHN J. VADAI & ASSOCIATES
5809 SANDS WAY SUITE F
ANACORTES, WA 98221

DECLARATION SUBMITTING STAGE 1 OF BAYSIDE WEST, A Condominium TO CONDOMINIUM OWNERSHIP

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DECLARATION SUBMITTING STAGE 1 OF BAYSIDE WEST, A CONDOMINIUM TO CONDOMINIUM OWNERSHIP

THIS DECLARATION, pursuant to the provisions of the Washington Condominium Act, is made and executed this day of November, 1990, by HAROLD W. MOUSEL and VIOLET J. MOUSEL, husband and wife, hereinafter referred to as "Declarant".

Declarant proposes to create a condominium to be known as "Bayside West, a Condominium", which will be located in Skagit County, Washington. The purpose of this Declaration is to submit all of the real property described on Exhibit A, which is attached hereto and incorporated by reference herein, to the condominium form of ownership in the manner provided by the Washington Condominium Act.

NOW THEREFORE, Declarant hereby declares and provides as follows:

ARTICLE 1

DEFINITIONS

When used in this declaration the following terms shall have the following meanings:

- 1.1 "Association" means the association of Unit Owners established pursuant to Article 14 below.
- 1.2 "Board of Directors" means the Board of Directors of Association.
- 1.3 "Bylaws" means the Bylaws of the Association of Unit Owners of Bayside West, a Condominium adopted pursuant to Section 14.4 below as the same may be amended from time to time.
- 1.4 "Condominium" means real property, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of those portions.
- 1.5 "Declarant" means Harold W. Mousel and Violet J. Mousel, husband and wife, and their successors and assigns.
- 1.6 "Eligible Mortgage Insurer or Guarantor" means an insurer or governmental guarantor of a mortgage on a Unit who has requested notice of certain matters from the Association in accordance with Section 13.1 below.
- 1.7 "Eligible Mortgage Holder" means a holder of a Mortgage on a Unit who has requested notice of certain matters from the Association in accordance with Section 13.1 below.

- 1.8 "Mortgage" and "Mortgagee" mean, respectively, a recorded mortgage, deed of trust, or contract of sale which creates a lien against a Unit, and the holder, beneficiary or vendor of such a mortgage, deed of trust or contract of sale.
- 1.9 "Owner" means the Declarant or other person who owns a Unit, but does not include a person who has an interest in a Unit solely as security for an obligation. "Owner" means the vendee, not the vendor, of a Unit under a real estate contract.
- 1.10 "Survey Map and Plans" means the survey map and plans of "Bayside West, a Condominium", recorded simultaneously with the recording of this Declaration, bearing recording number and in Volume 14 of Plats, pages 156,157,15%.
- 1.11 "Unit" means a physical portion of the condominium designated for separate ownership, the boundaries of which are described in Article 4.3 below, and in RCW 64.34.204(1).
- 1.12 "<u>Unit Number</u>" means a number or address that identifies only one Unit.
- 1.13 <u>Incorporation by Reference.</u> In the event of a conflict between the above definitions, and the definitions set forth in RCW 64.34.020, a part of the Washington Condominium Act, the statutory definition will control.

SUBMISSION OF PROPERTY TO CONDOMINIUM STATUTE

The real property submitted to the Washington Condominium Act by this Declaration is held by Declarant and conveyed by Declarant in fee simple estate. The land submitted is located in Skagit County, Washington, and is more particularly described in the attached Exhibit A. The property submitted includes the land so described, all buildings, improvements and structures, all easements, and rights and appurtenances located on, belonging to or used in connection with such land. A portion of the real property, which is described in Exhibit A, is subject to a development right as referred to in Article 4.1 below, and set forth in more detail in Article 15 below.

ARTICLE 3

NAME AND ADDRESS OF CONDOMINIUM

The name by which the Condominium shall be known is "BAYSIDE WEST, a Condominium." The address of the condominium shall be 2401 Skyline Way, Anacortes, Washington 98221. In the event this Declaration is amended to add a second building as referred to below, the address of that building shall be 2405 Skyline Way, Anacortes, Washington 98221, and the address of the existing building shall be retained as stated above.

<u>Units</u>

4.1 General Description of Buildings; STAGES 1 AND 2.

As provided for in Article 15 below, Declarant reserves the right to develop the condominium in two stages. Stage 1 shall consist of one two-story building with seven units located therein. The building shall be of wood frame construction with vinyl siding and have a tile roof. Stage 2 would consist of one two-story building with seven units located therein and would also be of wood frame construction with vinyl siding and have a tile roof.

- 4.2 <u>General Description, Location and Designation of Units.</u>
 Stage 1 consists of a total of seven Units. The dimensions, designation and location of each Unit are shown in the Survey Map and Plans, which is made a part of this Declaration as if fully set forth herein. The approximate area of each Unit is shown on the attached Exhibit B. Exhibit B contains the Unit number, square footage, number of bathrooms (whole or partial), number of bedrooms, number of built-in fireplaces, level or levels on which each Unit is located, type of heat and heat service and, number of parking spaces and whether or not they are covered, uncovered, or enclosed.
- 4.3 <u>Boundaries of Units.</u> Each Unit shall be bounded by the interior surfaces of its perimeter and bearing walls, floors, ceilings, windows, and window frames, doors and door frames, and trim. The Unit shall include all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of its finished surfaces. All other portions of the walls, floors or ceilings shall be a part of the common elements.
- 4.4 Monuments as Boundaries. The physical boundaries of a Unit constructed in substantial accordance with the Survey Map and Plans become its boundaries rather than the metes and bounds expressed in the Survey Map and Plans, regardless of settling or lateral movement of the building or minor variance between boundaries shown on the Survey Map and Plans and those of the building.

ARTICLE 5

COMMON ELEMENTS

The common elements consist of everything except the Units.

ARTICLE 6

LIMITED COMMON ELEMENTS

The limited common elements are reserved for the exclusive use of the unit or units to which they are adjacent or assigned

CONDOMINIUM DECLARATION - 3



as is more particularly shown on the Survey Map and Plans being filed coincident herewith. Said limited common elements consist of:

- 6.1 Two parking spaces have been assigned to each Unit and said parking spaces have been assigned the same number as the Unit to which they are assigned. One of the parking spaces is covered and enclosed, and one of the parking spaces is uncovered and is in the open. The boundaries of said parking spaces are defined by the interior surfaces of said spaces and/or the striping delineating said parking spaces.
- 6.2 Storage lockers have been assigned the same number as the Unit to which they are assigned and their boundaries are defined by their interior surfaces. Said storage lockers are located in the vicinity of each Unit's covered parking spaces and are adjacent to all Units except Unit 201E which does not have a storage locker adjacent to it.
- 6.3 Two patios shall be adjacent to Units 101E, 102E and 103E. Two sun decks are adjacent to Unit 201E. One sun deck is adjacent to Units 202E, 203E, and 204E. The patios and sun decks shall be for the exclusive use of their adjacent Units. Their boundaries are defined by the interior surfaces of the walls, floor, ceiling, doors, windows, ground, railings, fence, or curb that may enclose the same.
- 6.4 A dumb waiter is designated for the exclusive use of Units 201E, 202E, 203E, and 204E, and its boundaries are defined by its interior surfaces.
- 6.5 There are two elevators in the condominium. One is located adjacent to Unit 201E, which shall be for its exclusive use, and the other is located adjacent to 204E and shall be for that Unit's exclusive use.
- 6.6 As disclosed on the Survey Map and Plans, there is a stairway leading to Unit 201E and a stairway leading to Unit 204E, and said stairways shall be for the exclusive use of the Unit to which they are adjacent.
- 6.7 Any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios, and all exterior doors and windows or other fixtures designed to serve a single Unit, but which are located outside of the Unit's boundaries.
- 6.8 If any chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that unit is a limited common element allocated solely to that unit, and any portion thereof serving more than one Unit or any portion of the common elements is a part of the common elements.

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

ARTICLE 7

ALLOCATION OF UNDIVIDED INTERESTS IN COMMON ELEMENTS

Each Unit will be entitled to an undivided ownership interest in the common elements determined by the ratio by which the approximate area of the particular Unit bears to the total approximate area of all Units combined, as shown on the attached Exhibit B. Such allocation will change as shown on page 2 of Exhibit B if Stage 2 units are added to the Condominium as is more particularly described in Section 15.4 below.

ARTICLE 8

COMMON PROFITS AND EXPENSES; VOTING

- 8.1 Allocation of Expenses and Common Profits. The common profits and common expenses of the Condominium shall be allocated as follows:
- 8.1.1 <u>Special Limited Common Expenses</u>. Units 201E and 204E shall each be solely responsible for the expenses connected with the maintenance, repair, and/or replacement of the elevators which are adjacent to their respective Units. Units 201E, 202E, 203E, and 204E shall each be responsible for one-fourth of the expenses connected with the maintenance, repair and/or replacement of the dumbwaiter which has been designated for their exclusive use.
- 8.1.2 <u>Common Profits and Other Expenses</u>. All of the common profits, if any, and all other common expenses of the Condominium shall be allocated one-seventh to each Unit, which allocation will change to one-fourteenth if Stage 2 is added to the Condominium as described in Section 15 below.

Except upon termination of the Condominium or as otherwise provided in the Bylaws with respect to damage, destruction or condemnation, any such common profits shall be used solely for the purpose of maintaining, repairing and replacing the common elements or for other expenses or reserves of the Association.

8.2 Allocation of Voting Rights. Each Unit Owner shall be entitled to one vote in the affairs of the Association. The owner of more than one Unit shall have one vote for each Unit owned by said owner. The method of voting shall be as specified in the Bylaws. In the event Stage 2 units are added to the Condominium, the same allocation of voting rights shall apply.

SPECIAL DECLARANT RIGHTS

Declarant reserves the special Declarant rights referred to below. Those referred to as "must be built" and so labeled on the Survey Map and Plans will be installed and/or completed within six months of the filing of the Declaration.

- 9.1 Model Unit and Sales Office. Declarant initially has designated Unit 101E as a model unit and sales office in the condominium, and reserves the right to designate another unit owned by Declarant in its place for said purposes.
- 9.2 <u>Elevators</u>. The elevators referred to in Article 6.5 above which are for the exclusive use of Units 201E and 204E, have not yet been installed. They are referred to as "E" with the notation that they "must be built" on the Survey Map and Plans.
- 9.3 <u>Dumbwaiter</u>. The dumbwaiter referred to in Article 6.4 above for the exclusive use of Units 201E, 202E, 203E, and 204E, is not yet completely installed. Said dumbwaiter is referred to as "DW" with a notation "must be built" on the Survey Map and Plans.
- 9.4 Stairway. The stairway, which is designated for the exclusive use of Unit 204E as referred to in Article 6.6 above, is not completed. Said stairway is referred to as "S" with a notation "must be built" on the Survey Map and Plans.
- 9.5 <u>Patio</u>. A patio, which is designated for the exclusive use of Unit 103E in Article 6.3 above, has not been completed. Said patio is referred to as "P" with a notation "must be built" on the Survey Map and Plans.
- 9.6 Additional Rights. Declarant also has certain rights as set forth in Articles 12.5; 12.6; and Article 15.

ARTICLE 10

USE OF PROPERTY

- 10.1 Residential Use. Each Unit is to be used for residential purposes only. No noxious or offensive activities shall be carried on in any Unit, nor shall anything be done therein which may be, or become, an annoyance or nuisance to other owners.
- 10.2 Animals. No animals, which term includes living creatures of any kind, shall be raised, bred or kept in any Unit or on the common elements or limited common elements except domestic dogs, cats, or other household pets deemed acceptable by the board of directors. No such dogs, cats, or pets shall be permitted to run at large nor shall be kept, bred or raised for

commercial purposes or in unreasonable numbers. Any inconvenience, damage or unpleasantness caused by such pets shall be the responsibility of the respective Owners thereof, and the Owners shall be responsible for removal of wastes of their animals. All dogs shall be carried or kept on a leash while outside a Unit. No pet shall be permitted to cause or create a nuisance or unreasonable disturbance or noise. A Unit Owner may be required to remove a pet upon receipt of the third notice in writing from the Board of Directors of violations of any rule, regulation, or restriction governing pets within the Condominium.

ARTICLE 11

MAINTENANCE OF COMMON ELEMENTS

- 11.1 Responsibility for Maintenance. The necessary work to maintain, repair or replace the common elements shall be the responsibility of the Board of Directors of the Association and shall be carried out as provided in the Bylaws.
- Mortgagee's Rights Upon Failure to Maintain. If the Mortgagee of any Unit determines that the Board of Directors is not providing an adequate maintenance, repair, and replacement program for the common elements, such Mortgagee, at its options, may give a notice to the Board of Directors by delivering same to the registered agent, setting forth the particular defect which it believes exists in the maintenance, repair, and replacement program. If the specified defects are not corrected within 90 days subsequent to receipt of such notice, then the Mortgagee, upon written notice to the registered agent that it is exercising its proxy rights, shall have the right to attend succeeding annual or special meetings of the Association and to cast a vote for each Unit on which it holds a Mortgage on all business coming before such meeting. Such proxy rights shall continue until the defects listed on the notice are corrected.

ARTICLE 12

EASEMENTS

- In General. Each Unit has an easement in and through each other Unit and the common elements for all support elements and utility, wiring, heat, and service elements, and for reasonable access thereto, as required to effectuate and continue proper operation of the Condominium. In addition, each Unit and all the common elements are specifically subject to easements as required for the electrical wiring and plumbing for each Unit. The specific mention or reservation of any easement in this Declaration does not limit or negate the general easement for common elements reserved by law.
- 12.2 Encroachments. To the extent not provided for in Article 4.4, each Unit and all common elements shall have an easement over all adjoining Units and common elements for the purpose of accommodating any present or future encroachment as a

result of engineering errors, construction, reconstruction, repairs, settlement, shifting, or movement of any portion of the property, or any other similar cause, and any encroachment due to building overhang, or projection. There shall be valid easements for the maintenance of the encroaching Units and common elements so long as the encroachments shall exist, and the rights and obligations of Owners shall not be altered in any way by the encroachment. This provision does not relieve a Unit Owner of liability in the case of willful misconduct of the Unit Owner, or relieve Declarant or any contractor, subcontractor or materialman from any liability as a result of failure to adhere to the Survey Map and Plans. The encroachments described in this Section 12.2 shall not be construed to be encumbrances affecting the marketability of title to any Unit.

- 12.3 Granting of Easements by Association. The Association, upon prior approval of 75 percent of the voting power of the Unit Owners, may execute, acknowledge, deliver, and record on behalf of the Unit Owners leases in excess of two years, easements, rights-of-way, licenses, and similar interests affecting the common elements and consent to vacation of roadways within and adjacent to the Condominium. Any such instrument shall be executed by the president and secretary of the Association. No such interest may be granted with regard to a limited common element unless the Owners and Mortgagees of the Units having the right to use such limited common element join in the instrument granting the interest.
- 12.4 Right of Entry. The Board of Directors of the Association, managing agent, manager or any other person authorized by the Board of Directors shall have the right to enter any Unit in the case of an emergency originating in or threatening such Unit or other condominium property, whether or not the Owner is present at the time. Such persons shall also have the right to enter any Unit for the purpose of performing installations, alterations or repairs to any common element and for the purpose of inspection to verify that the Unit Owner is complying with the restrictions and requirements described in this Declaration and the Bylaws, provided that requests for entry are made in advance and that such entry is at a time convenient to the Owner.
- agents, successors, and assigns shall have an easement over and upon the common elements as may be reasonably necessary for the purpose of constructing Stage 2, if applicable, and to the extent provided for in Article 15, for completing or making repairs to existing structures, for the purpose of carrying out sales and rental activities necessary or convenient for the sale or rental of Units owned by Declarant and used by Declarant for a model or sales office, and for the purpose of discharging any other obligation of Declarant or exercising any other special Declarant right, whether arising under the Washington Condominium Act or reserved in this Declaration.

12.6 Reservation of Easements for Future Development.

In the event Declarant develops Stage 2 of the condominium, the following easements are reserved by Declarant: (a) an nonexclusive easement for ingress and egress over all roadways and driveways within the Condominium, and over such portion of the vacant land as may be necessary to connect roads with such roadway and driveway system, (b) an easement for the maintenance and use of all existing utility lines and systems within the Condominium, including without limitation water, sewer, electrical, telephone, and cable television systems, and (c) an easement for the installation, maintenance and use of new utility lines and systems upon the general common element land of the Condominium, provided Declarant restores any damage to the general common elements resulting from such installation or maintenance.

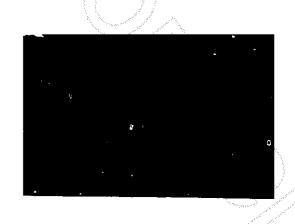
ARTICLE 13

APPROVAL BY MORTGAGEES

- 13.1 Notice of Action. Upon written request to the Association identifying the name and address of the Eligible Mortgage Holder or Eligible Mortgage Insurer or Guarantor and the Unit Number of the Unit on which it has (or insures or guarantees) the Mortgage, any such Eligible Mortgage Holder or Eligible Mortgage Insurer or Guarantor shall be entitled to timely written notice of the following:
- (a) Any condemnation or casualty loss which affects a material portion of the Condominium or affects the Unit securing its Mortgage.
- (b) Any 60-day delinquency in the payment of assessments or charges owed by an Owner of any Unit on which it holds the Mortgage.
- (c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.
- (d) Any proposed action which would require consent of a specified percentage of Eligible Mortgage Holders holding a "first mortgage" (this term would include subordinate mortgage holders who obtain first mortgage status by the satisfaction or release of mortgages having priority) as required by this article.

13.2 Termination and Amendment to Documents.

13.2.1 The approval of Eligible Mortgage Holders holding a "first mortgage" on Units which have at least eighty percent (80%) of the voting rights of Units subject to Eligible Mortgage Holder Mortgages shall be required to terminate the legal status of the project as a condominium for reasons other than substantial destruction or condemnation of the property.



- 13.2.2 Except when a greater percent is required by the Declaration or the Washington Condominium Act, the consent of the Owners of the Units holding at least sixty-seven percent (67%) of the voting rights and the approval of Eligible Mortgage Holders holding "first mortgages" on Units which have at least sixty-seven percent (67%) of the voting rights of the Units subject to Eligible Mortgage Holder Mortgages shall be required for any amendments of a material nature to the Declaration. Any amendment to the Declaration which changes any of the following shall constitute a material change:
 - (a) Voting rights;
- (b) Assessments, assessment liens or subordination of such liens;
 - (d) Responsibility for maintenance and repairs;
- (e) Reallocation of interests in the general or limited common elements, or rights to their use, except as otherwise provided in Section 6;
 - (f) The boundaries of any Unit;
- (g) Conversion of Units into common elements or of common elements into Units;
 - (h) Insurance or fidelity bonds;
 - (i) The leasing of Units;
- (j) Imposition of any restriction on the right of a Unit Owner to sell or transfer his or her Unit;
- (k) A decision by the Association to establish self-management when professional management had been required previously by this Declaration, the Bylaws or an Eligible Mortgage Holder:
- (1) Restoration or repair of the Condominium (after a hazard damage or partial condemnation) in a manner other than specified in this Declaration or the Bylaws;
- (m) Any provisions that expressly benefit Mortgage Holders, insurers or guarantors.
- 13.2.3 An addition or amendment to the Declaration shall not be considered material for purposes of Section 13.2.2 if it is for the purpose of correcting technical errors, or for clarification only. Any Eligible Mortgage Holder who receives a written request to approve additions or amendments and who does not deliver or post to the requesting party a negative response within 30 days shall, after it receives proper notice of the proposal and provided the notice was delivered by certified or

CONDOMINIUM DECLARATION - 10

registered mail, return receipt requested, be deemed to have approved such request.

- 13.3 Additional Approvals. In addition to any other approvals required by the Washington Condominium Act or the Declaration, the prior written approval of eighty percent (80%) of the eligible mortgage holders of "first mortgages" on Units in the Condominium (based upon one vote for each first Mortgage owned) and of the Unit Owners (other than Declarant) must be obtained for the following:
- 13.3.1 Abandonment or termination of the Condominium regime.
- 13.3.2 Except as provided in Section 15.4, any change in the pro rata interest or obligations of any individual Unit for (a) purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (b) determining the pro rata share of ownership of each Unit in the common elements.
 - 13.3.3 The partition or subdivision of any Unit.
- 13.3.4 Abandonment, partition, subdivision, encumbrance, sale or transfer or the common elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the Association pursuant to Article 12.3 shall not be deemed a transfer within the meaning of this clause.
- 13.3.5 Use of hazard insurance proceeds for losses to any condominium property, whether to Units or to common elements, for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in cases of substantial loss to the Units and/or common elements of the condominium project.
- 13.4 <u>Notice to Eliqible Mortgage Holders of Defaults</u>. Any eligible Mortgage Holder, upon request, will be entitled to written notification from the Association of any default in the performance by the Owner of the Mortgaged Unit of any obligation under this Declaration, the rules and regulations or the Bylaws which is not cured within 60 days.

ARTICLE 14

ASSOCIATION OF UNIT OWNERS

14.1 Organization. Upon the recording of this Declaration an association of Unit Owners shall be organized to serve as a means through which the Unit Owners may take action with regard to the administration, management and operation of the Condominium. The name of this Association shall be "Association of Unit Owners of Bayside West, a Condominium," and the Association shall be a Washington nonprofit corporation.

- 14.2 <u>Membership; Board of Directors</u>. Each Unit Owner shall be a member of the Association. The affairs of the Association shall be governed by a Board of Directors as provided in the Bylaws.
- 14.3 <u>Powers and Duties</u>. The Association shall have such powers and duties as may be granted to it by the Washington Condominium Act, including each of the powers set forth in RCW 64.34.304, together with such additional powers and duties afforded it by this Declaration or the Bylaws.
- 14.4 Adoption of Bylaws, Declarant Control of Association. Upon the execution and the recording of this Declaration, Declarant shall adopt Bylaws for the Association. At the same time, Declarant will appoint an interim Board of Directors of the Association, which directors shall serve until their successors have been elected. In addition, as provided in Section 16.2 below, Declarant's consent shall be required for certain amendments to the Declaration.

PLAN OF DEVELOPMENT

The Condominium may be developed in two stages. Declarant reserves the right, and in such event is obligated, to amend the Declaration and the Survey Map and Plans to comply with the Washington Condominium Act. By recording this Declaration, Declarant hereby submits Stage 1 to the Condominium form of ownership. Declarant reserves the right to add one additional stage to the Condominium on a portion of the real property described on Exhibit A at the location described on Exhibit A. In the event Stage 2 is developed, Declarant will record an amendment to this Declaration, together with an amended Survey Map and Plans bearing a completion certificate as required by the Washington Condominium Act. Any improvements added in Stage 2 shall be of comparable style, quality, and size as in Stage 1. In the event the Stage 2 Units are not added by the termination dates set forth in Article 15.2 below, the entire real property described in Exhibit A shall constitute a complete, fully operational condominium, and the land and any improvements thereon subject to Stage 2 development shall remain a part of the common elements, not subject to any further development rights.

- 15.1 Maximum Number of Units and Stages. If fully developed, the Condominium shall contain not more than fourteen Units, and not more than two stages.
- 15.2 <u>Termination Date</u>. No additional Units may be added more than seven years after the recording of this Declaration.
- 15.3 Additional Common Elements. Declarant does not propose to include in Stage 2 any common elements which would

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substantially increase the amount of the common expenses payable by Owners of Units in Stage 1.

- 15.4 Allocation of Interest in Common Elements. The allocation of undivided interests in the common elements of the Units of Stage 1 will change if Stage 2 is added by amendment and made a part of the Condominium. If that occurs, the allocation of undivided interest in the common elements of each Unit in Stages 1 and 2 is set forth in Exhibit B.
- 15.5 Additional Limited Common Elements. Declarant reserves the right to make assignments of limited common elements to the Units added in Stage 2. It is anticipated that the building, and the Units located therein, will be substantially identical to the building referred to in this Declaration and the Survey Map and Plans and that the limited common elements appurtenant to those Units will be the same type and nature as those in the condominium being created by these documents.

ARTICLE 16

AMENDMENT

- 16.1 <u>How Proposed</u>. Amendments to the Declaration shall be proposed by either a majority of the Board of Directors or by Unit Owners holding twenty percent (20%) or more of the voting rights. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon or attached to any request for consent to the amendment.
- 16.2 Approval Required. Except as may otherwise be provided in this Declaration or by the Washington Condominium Act, this Declaration may be amended if such amendment is approved by Unit Owners holding sixty-seven percent (67%) of the voting rights of the Condominium and by Mortgagees to the extent required by Article 13. Except as provided in Article 15, no amendment may change the size, location, allocation of undivided interest in the common elements, method of determining liability for common expenses, right to common profits, or voting rights of any Unit unless such amendment has been approved by the Owners and Mortgagees of the affected Unit. Any amendment which would limit or diminish any special Declarant rights established in the Declaration, including the right of Declarant to develop Stage 2 as provided in Article 15, shall require the written consent of the Declarant.
- 16.3 Recordation. The amendment shall be effective upon recordation in the Records of Skagit County, Washington, certified to by the president and secretary of the Association as being adopted in accordance with this Declaration and the provisions of the Washington Condominium Act.

<u>SEVERABILITY</u>

Each provision of this Declaration shall be deemed independent and severable, and the validity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision of this Declaration.

ARTICLE 18

DECLARANT DECLARATIONS

We, the undersigned owners of the real property described on Exhibit A, hereby submit said property by this Declaration, and the Survey Map and Plans being filed coincident herewith, for a condominium solely to meet the requirements of the Washington Condominium Act, RCW 64.34., et seq., and not for any public purpose.

further certify that all structural components and mechanical systems of the building containing the Units hereby created are substantially completed.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed this 127 day of Moveuler, 1990.

STATE OF WASHINGTON

COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that HAROLD W. MOUSEL and VIOLET J. MOUSEL signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: Mosseullen

in and for the:S

Washington, residing at

My appointment expires:

MORTGAGEE APPROVAL

By the signature of their authorized representative below, Interwest Savings Bank, as the owner and holder of a security interest in the property described on Exhibit A being submitted under this Declaration, agrees to said submission, and further acknowledges that appropriate arrangements have been made for the partial release of said security from each apartment unit and

from the undivided interest in common elements pertaining thereto at the time of the first conveyance of each such unit by Declarant, or his heirs, successors and assigns. Except as to the apartment unit so conveyed and released, said security interest remains in full force and effect as to the entire property.

INTERWEST SAVINGS BANK

bellun Moletto

STATE OF WASHINGTON) s

COUNTY OF SKAGIT

SS

I certify that I know or have satisfactory evidence that CATHY BAY-SCHMITH signed this instrument, on oath stated that /she is authorized to execute the instrument and acknowledged it as the ASSISTANT VICE PRESIDENT of INTERWEST SAVINGS BANK, a corporation, to be the free and voluntary act of such person for the uses and purposes mentioned in the instrument.

DATED: ///3/90

goru g dadai

Notary Public (in and for the State of Washington residing at

Washington, residing at ANACORTES

My commission expires:

2/2/94



EXHIBIT A

LEGAL DESCRIPTION

Tract 1 of SHORT PLAT NO. AN-84-001, approved October 24, 1984, and recorded October 24, 1984, in Volume 6 of Short Plats, pages 183 through 185, under Auditor's File No. 8410240028, records of Skagit County, Washington; being a portion of Lot 16, Skyline No. 19, in Section 27, Township 35 North, Range 1 East of the Willamette Meridian.

Situate in Skagit County, Washington.

TOGETHER WITH a 20 foot wide easement for ingress, egress, and utilities over the south half of Tract B of Skyline No. 18 as disclosed on the face of the above described short plat.

In the event Stage 2 of the condominium is added by amendment to the Declaration and the Survey Map and Plans, said stage shall be constructed on the following described portion of the above described Tract 1:

That portion of "Tract 1" of said "Bayside Short Plat" described as follows:

Beginning at the SW corner of said "Tract 1"; Thence N16°28'35"E along the west line of said "Tract 1" 115.28 feet to the beginning of a curvature to the left, having a radius of 45.00 feet; thence northerly 47.00 feet, along the arc of said curvature, having a central angle of: 59°50'53", thence: N16°02'45"E 5.00 feet to the beginning of a curvature to the left, having a radius of: 470.00 feet; thence: easterly 28.22 feet along the arc of said curvature, having a central angle of: 03°26'22"; thence: \$76°07'48"E 185.80 feet; thence: \$13°52'12"W 24.00 feet; thence: \$76°07'48"E 21.00 feet; thence: \$13°52'12"W 151.94 feet to the "Inner Harbor Line" of Burrows Bay; thence: N71°46'14"W along said "Inner Harbor Line" 267.63 feet to the point of beginning, containing: 0.975 acre more or less.

Situated in the city limits of Anacortes, Skagit County, Washing-

The above-described Tract 1 is subject to the following:

1. Deed of Trust dated May 10, 1990, and recorded on June 1, 1990, under Skagit County Auditor's No. 9006010038 in which Harold W. Mousel, as his separate estate, is grantor, Island Title Company is trustee, and Interwest Savings Bank is beneficiary.

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EXHIBIT A - 1 9011130073 2. Easement, including the terms, covenants, and provisions thereof, granted by instrument

Recorded: January 26, 1962

Auditor's No.: 617291, records of Skagit County, WA
To: Puget Sound Power & Light Company
For: Electric transmission and/or distribution

For:

Electric transmission and/or distribution
line(s), together with necessary appurtenances
Affects:

The exact location of said easement right is

not disclosed on the record.

3. Terms, conditions and provisions as set forth in that certain "Clarification Deed of Easement";

Recorded: August 8, 1979

Auditor's No.: 7908080063, records of Skagit County, WA

Grantor: Skyline Marine Owners Association

Grantee: Skyline Associates

4. Provisions and conditions contained in the dedication of Sky-line no. 19 as follows:

Right of the public to make all necessary slopes for cuts and fills, and the right to continue to drain said streets, roads and ways shown hereon;

ALSO, following original reasonable grading of roads and ways herein, no drainage waters on any lot or lots shall be diverted or blocked from their natural course so as to discharge upon any public road right of way, or hamper road drainage. Any enclosing of drainage waters in culverts or drains or re-routing thereof across any lot as may be undertaken by or for the owner of any lot, shall be done by and at the expense of such owner.

5. Easement provisions contained on the face of Skyline No. 19, as follows:

A non-exclusive easement is hereby reserved for and granted to the City of Anacortes under and upon each side of the common boundary line between Lots 15 and 16, extending from Skyline Way to the Inner Harbor Line.

6. Covenants, conditions, restrictions, and easement in Declaration of Restrictions;

Dated: August 14, 1980 Recorded: August 19, 1980

Auditor's No.: 8008190071, records of Skagit County, WA

Executed By: Skyline Associates

7. Easement delineated on the face of the above referenced Short Plat;

For: Storm Sewer

Affects: The Westerly 10 feet

8. Easement Agreement and maintenance obligation, including the terms, covenants, and provisions thereof, entered into;

By: Harold Mousel; and

Between: Skyline Associates, et al

Recorded: () July 31, 1981

Auditor's No.: 8107310041, records of Skagit County, WA Providing: For a right of way, restrictions, and mainte-

nance obligations affecting other property and for obligations relating to access to the

herein described premises

Affects: Said premises and other property

9. Covenants, conditions and restrictions in Declaration of Restrictions;

Dated: August 14, 1980 Recorded: August 19, 1980

Auditor's No.: 8008190072, records of Skagit County, WA

- 10. Easement for ingress, egress and utilities granted by various instruments of record in favor of Apartment Owners of Bayside East, a condominium.
- 11. Public Access Easement as delineated on the face of the above referenced Short Plat and as disclosed on the Survey Map and Plans filed coincident with the Declaration.
- 12. Existing underground cables as delineated on the face of the above referenced Short Plat.
- 13. Any lien or liens that may arise or be created in consequence of or pursuant to an Act of the Legislature of the State of Washington entitled "An Act prescribing the ways in which waterways for the uses of navigation may be excavated by private contract, providing for liens upon lands belonging to the State, granting right of way across lands belonging to the State," approved March 9, 1893;

Affects: Tidelands

14. Exceptions and reservations contained in Deed from the State of Washington, under which title to said tidelands is claimed hereby the grantor excepts and reserves all oils, gases, coal, ores, minerals, fossils, etc., and the right of entry for opening, developing, and working mines, etc., provided that no rights shall be exercised until provisions has been made for full payment of all damages sustained by reason of such entry;

Auditor's No.: 91959, records of Skagit County, WA Affects: Tidelands

15. Right of the State of Washington or any grantee or lessee thereof, upon paying reasonable compensation, to acquire the right of way for private railroads, skid roads, flumes, canals, water courses, or other easements for transporting and moving timber, stone, minerals, or other products from other lands, contained in Deed from the State of Washington;

Auditor's No.: 91959, records of Skagit County, WA

- 16. Any prohibition or limitation on the use, occupancy, or improvement of the land resulting from the rights of the public or riparian owners to use any waters which may cover the land or to use any portion of the land which is now or may formerly have been covered by water.
- 17. Easement rights of the owners and occupiers of Tract 2 of the above described Short Plat for the use of the stairway for access to the shoreline of Burrows Bay.

The following matters of record refer to the 20-foot easement over the south half of Tract B of Skyline No. 18 referred to above:

18. Maintenance and easement provisions contained on the face of Skyline No. 18, as the same affects Parcel B, as follows:

"The provision is made under the terms of the protective covenants to which the property is subject for the maintenance of any private road shown on the face of this plat by the Skyline Beach Club, Inc. The City of Anacortes has no obligation for the maintenance or repair of any private road shown on the face of this plat. Before consideration of any proposal which dedicates such roads to the public hereafter, such roads must then meet the standards of City of Anacortes.

An easement is hereby reserved to the City of Anacortes for utility purposes over and across Tract B."

19. Easement, including the terms, covenants, and provisions thereof, granted by instrument

Recorded:

October 26, 1970

Auditor's No.

745030, records of Skagit County, Wa

In favor of:

The City of Anacortes

For:

Utilities and drains

raicei

20. Easement, including the terms, covenants, and provisions thereof, granted by instrument

Recorded:

August 11, 1975

Auditor's No. In favor of:

821776, records of Skagit County, WA Division 18 Condominium Dock Owners

Association

For:

Ingress and egress (Affects Parcel B)

21. Easement, including the terms, covenants, and provisions thereof, granted by instrument

Recorded:

July 31, 1981

Auditor's No. In favor of:

8107310041 records of Skagit County WA Harold Mousel or his heirs, successors or assigns as the owners of Skyline

No. 19

Affects:

Parcel B

22. Easement, including the terms, covenants, and provisions thereof, granted by instrument

Recorded:

Auditor's No. In favor of:

For:

August 31, 1984 8408310010 records of Skagit County WA Cascade Natural Gas Corporation Pipelines for oil, gas, and the products thereof (Affects Parcel B)

23. Future assessments for the maintenance and upkeep of Skyline Way.

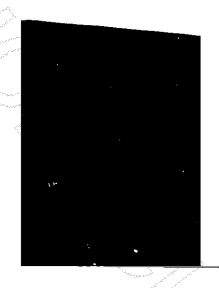


EXHIBIT B

The primary references to this Exhibit are set forth in Articles 4.2 and 7 of the Declaration. The type of heat and heat service for all units of the condominium, or any Units that may be added in Stage 2*, is, and shall be, gas forced air. None of the Units in the condominium, or in Stage 2 if developed, shall have moorage slips assigned to them. Set forth below is more detailed information concerning the individual Units in Stage 1 of the condominium:

Unit Number	Floor Level	Number of Bdrms.	Number of Baths	Number of Parking Spaces C=Covered E=Enclosed U=Uncovered	Number of Fire- places	Area in	Percentage of area of Unit to total area of all Units (Said Units Undi- vided Inter- est in Common Elements)
101E	1st	2	2	1C 1U	1	2,308	16.7%
102E	lst	1	1.5	1C 1U	1	1,535	11.1%
103E	lst	2	2	1C 1U	1	2,161	15.7%
201E	2nd	3	2	1C 1U	1	2,350	17%
202E	2nd	2	2	1C 1U	1	1,645	11.9%
203E	2nd	2	2	1C 1U	1	1,615	11.7%
204E	2nd	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	2	1C 1U	1	2,188	15.9%
*See pag	re 2 fo	r Stage 2	informa	tion	1	Total Area: .3,802	Total %: 100%

^{*}See page 2 for Stage 2 information.

EXHIBIT B - Page 2

The primary references to this Exhibit are in Articles 7 and 15.4 of the Declaration. The following shall apply in the event Stage 2 of the condominium is developed:

Unit Number	Approximate Area In Square Feet	Undivided Interest In Common Elements Upon Completion of Stage 2	
STAGE 1:		======================================	
101E	2,308	8.35%	
102E	1,535	5.55%	
103E	2,161	7.85%	
201E	2,350	8.5%	
202E	1,645	5.95%	
203E	1,615	5.85%	
204E	2,188	7.95%	
STAGE 2:		a.	
101W	2,308	8.35%	
) 102W	1,535	5.55%	
103W	2,161	7.85%	
201W	2,350	8.5%	
202W	1,645	5.95%	
203W	1,615	5.85%	
204W	2,188	7.95%	

Total Area: 27,604 Total: 100%

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