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After Recording Mail to:
Zylstra, Beekma & Waller, P.L.L.C.,
791 S E Barrington Drive
Oak Harbor WA 98277

SKAGIT COUNTY
KATHY HILL

'98 DEC -9 A11 :00

RECORDED _____ FILED _____
REQUEST OF *Steve Jansen*

9812090060

**DECLARATION
OF MALLARD VIEW CONDOMINIUM**

Grantor(s): **Mallard View Condominium Association**

Grantee(s): **The Public**

Legal Description:

**Assessor's Property
Tax Parcel Account No:**

THIS DECLARATION, pursuant to the provisions of the Washington Condominium Act, is made and executed this 8th day of DECEMBER, 1998, by Nord Northwest Corporation, a Washington corporation ("Declarant").

Declarant proposes to create a condominium to be known as MALLARD VIEW CONDOMINIUM, which will be located in Skagit County, Washington. The purpose of this Declaration is to submit Phase 1 of MALLARD VIEW CONDOMINIUM to the condominium form of ownership and use in the manner provided by the Washington Condominium Act.

NOW, THEREFORE, Declarant does hereby declare and provide as follows:

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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 MALLARD VIEW CONDOMINIUM adopted pursuant to Section 14.4 below as the same may be amended from time to time.
- 1.4 "Condominium" means all of that property submitted to the condominium form of ownership by this Declaration plus any additional property that may be annexed to the project pursuant to Article 15 below.
- 1.5 "Declarant" means Nord Northwest Corporation, and its successors and assigns.
- 1.6 "Eligible Mortgage Insurer or Guarantor" means an insurer or governmental guarantor of a first 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 first 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 MALLARD VIEW CONDOMINIUM, recorded simultaneously with the recording of this Declaration,

bearing recording number **9812090059** and in Volume
17 of (Condominium) Plats, page(s) 34-37.

1.11 "Unit" means a physical portion of the Condominium designated for separate ownership, the boundaries of which are described pursuant to RCW 64.34.204(1).

1.12 "Unit Number" means a symbol, number or address that identifies only one Unit.

1.13 Incorporation by Reference. Except as otherwise provided in this Declaration, each of the terms defined in RCW 64.34.020, a part of the Washington Condominium Act, shall have the meanings set forth in such section.

ARTICLE 2

SUBMISSION OF PROPERTY TO CONDOMINIUM STATUTE

The 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.

ARTICLE 3

NAME OF CONDOMINIUM

The name by which the Condominium shall be known is "MALLARD VIEW CONDOMINIUM."

ARTICLE 4

Units

4.1 General Description, Location and Designation of Units. Phase 1 consists of a total of 5 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 identifying number, 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, number of parking spaces and whether covered, uncovered, or enclosed, if any as the same apply to each Unit. Unit shall include garages as shown on survey map and plans. There are a total of 9 parking spaces in the garages.

4.2 Boundaries of Units. 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.

4.3 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 following shall constitute limited common elements, the use of which shall be restricted to the Units to which they pertain:

6.1 All patios and decks, each of which shall pertain to the Unit which it adjoins as shown on the Survey Map and Plans.

6.2 Any shutters, awnings, window boxes, doorsteps, stoops, porches, porch lights, 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.



ARTICLE 7

ALLOCATION OF UNDIVIDED INTERESTS IN COMMON ELEMENTS

Each Unit will be entitled to an undivided equal ownership interest in the common elements determined by total interest divided by the number of units in the Association. Such allocation will change if additional Phases 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 Common Profits and Expenses. The common profits and common expenses of the Condominium shall be allocated to the Owner of each Unit according to the allocation of undivided interest of such Unit in the common elements. 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 and for the purposes of this Declaration for each Unit owned by him. The method of voting shall be as specified in the Bylaws.

ARTICLE 9

SPECIAL DECLARANT RIGHTS

Declarant may maintain one sales office model in the Units or on the common elements. Declarant also has certain rights as set forth in Article 12.5; 12.6 and Article 15.

ARTICLE 10

USE OF PROPERTY

Each Unit is to be used for residential purposes. Additional limitations on use are contained in the Bylaws and the rules and regulations adopted pursuant to the Bylaws. Each Unit Owner shall be bound by each of such documents.

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.

11.2 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 option, 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

12.1 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. Except as provided in Article 4.3, 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 chairperson 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.

12.5 Easements for Declarant. Declarant and Declarant's agents, successors and assigns shall have an easement over and upon the common elements as may be reasonably necessary for the purpose of constructing additional Phases, if any, and to the extent provided for in Article 15, for completing or making repairs to existing structures, for the purpose of carrying out sales activities necessary or convenient for the sale of Units, including, without limitation, the right to use the Units owned by Declarant as model Units and the right to use a Unit as a 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 or the Bylaws.

12.6 Reservation of Easements for Future Development. Declarant hereby reserves (a) a 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. Such easements shall be for the benefit of and shall run with the ownership of the entire remainder of the proposed project site, more particularly described in the attached Exhibit A, and each and every portion thereof.

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 as required by this article.

13.2 Termination and Amendment to Documents.

13.2.1 The approval of Eligible Mortgage Holders holding Mortgages 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, Bylaws or the Washington Condominium Act, the consent of the Owners of Units holding at least sixty-seven percent (67%) of the voting rights and the approval of Eligible Mortgage Holders holding 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 or Bylaws. Any amendment to the Declaration or Bylaws which changes any of the following shall constitute a material change:

- (a) Voting rights;
- (b) Assessments, assessment liens or subordination of such liens;
- (c) Reserves for maintenance, repair and replacement of the common elements;
- (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 6.3;
- (f) The boundaries of any Unit;
- (g) Conversion of Units into common elements or of common elements into Units;
- (h) Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium, except as provided in Article 15;
- (i) Insurance or fidelity bonds;
- (j) The leasing of Units;
- (k) Imposition of any restriction on the right of a Unit Owner to sell or transfer his or her Unit;
- (l) 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;
- (m) 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;

(n) Any provisions that expressly benefit Mortgage holders, insurers or guarantors.

13.2.3 An addition or amendment to the Declaration or Bylaws 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 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, this Declaration or the Bylaws, the prior written approval of eighty percent (80%) of the 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 of 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 Notice to First Mortgagees of Defaults. 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 "Mallard View Condominium Association", and the Association shall be an Washington nonprofit corporation.

14.2 Membership; Board of Directors. 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 Powers and Duties. 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 as provided in Section 3.4 of the Bylaws. In addition, Declarant shall have the right to consent to any amendment to the Declaration or the Bylaws as provided in Section 16.2 below and Section 9.2 of the Bylaws.

14.5 Transfer to Master Association. The Board of Directors of the Association shall have the power and authority to transfer or delegate to a non-profit master association that exercises similar powers on behalf of one or more condominiums located within the Maddox Creek PUD all of the power and authority provided herein for the association and the powers described in RCW 64.34.304.

ARTICLE 15

PLAN OF DEVELOPMENT

The Condominium may be developed in up to 4 Phases. Declarant reserves the right, and in such event is obligated, to amend the Declaration and the Survey Map and Plans to comply with RCW 64.34. By recording this Declaration, Declarant hereby submits Phase 1 to the Condominium form of ownership. Declarant reserves the right to

add 3 additional Phases to the Condominium and to annex such additional Phases by recording supplements to this Declaration pursuant to RCW 64.34.236, together with a Survey Map and Plans of the Phase being annexed bearing a completion certificate as required by RCW 64.34.200(2). Any such additional Phase shall include Units of comparable style, quality and size as Units in Phase 1.

15.1 Maximum Number of Units and Phases. If fully developed, the Condominium shall contain not more than 18 Units, and not more than 4 Phases.

15.2 Termination Date. No additional Phase 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 future Phases any common elements which would substantially increase the amount of the common expenses payable by Owners of Units in Phase 1.

15.4 Allocation of Interests in Common Elements. The allocation of undivided interests in the common elements of Units in Phase 1 will change if additional Phases are annexed to the Condominium. Such allocation shall be determined by the total interest divided by the total number of units. See attached Exhibit C for Phased Ownership Interest.

15.5 Legal Description of Additional Phases. The legal description of the property upon which the additional Phases would be located is the same as the legal description in Exhibit A.

ARTICLE 16

AMENDMENT

16.1 How Proposed. Amendments to the Declaration shall be proposed by either a majority of the Board of Directors or by Unit Owners holding thirty percent (30%) 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. Declarant's prior written consent shall also be required until annexation of the last Phase

of the Condominium and so long as Declarant owns twenty-five percent (25%) or more of the Units in the last Phase of the Condominium, but no such consent shall be required after seven years from the date of conveyance of the first Unit to a person other than Declarant. 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 annex additional Phases under Article 15, shall require the written consent of Declarant.

16.3 Recordation. The amendment shall be effective upon recordation in the Records of Skagit County, Washington, certified to by the chairperson and secretary of the Association as being adopted in accordance with this Declaration and the provisions of the Washington Condominium Act.

ARTICLE 17

SEVERABILITY

Each provision of this Declaration and the Bylaws 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 or the Bylaws.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed this 8th day of DECEMBER, 1998.

Nord Northwest Corporation, a Washington Corporation

By:

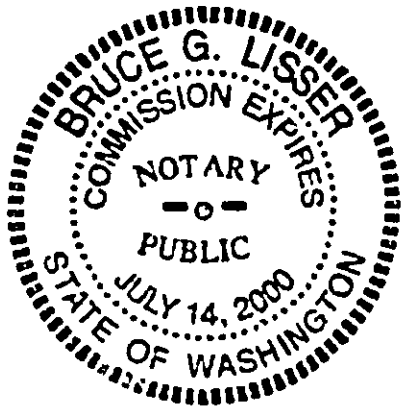
Richard G. Nord, Sr.

Richard G. Nord, Sr., President

STATE OF WASHINGTON)
)ss
County of Island)

I certify that I know or have satisfactory evidence that Richard G. Nord, Sr., is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Nord Northwest Corporation to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 8TH day of DECEMBER, 1998.



Bruce G. Lisser
(Signature)
Bruce G. Lisser
(Print Name)
Notary Public
My Appointment Expires: 7-14-00

EXHIBIT A
Legal Description of Real Property

Lot 86, MADDOX CREEK P.U.D. PHASE I, according to the plat thereof recorded in Volume 16 of Plats, pages 121 to 130, records of Skagit County, Washington.

TOGETHER WITH that portion of Lot 75, PLAT OF MADDOX CREEK P.U.D. PHASE I, described as follows:

BEGINNING at the Northwesterly corner of said Lot 75; thence South $62^{\circ}07'54''$ East a distance of 25.20 feet along the Northerly line of said Lot 75 to a contiguous corner with Tract 86, said plat; thence South $75^{\circ}14'10''$ West a distance of 30.69 feet, more or less, to a point on the Westerly line of Lot 75; thence North $20^{\circ}41'15''$ East a distance of 20.95 feet along said Westerly line to the POINT OF BEGINNING

SUBJECT TO and TOGETHER WITH easements, reservations, restrictions, covenants, liens, leases and other instruments of record.

Situate in the County of Skagit, State of Washington.

Unit #	Levels	# of Bdrms	# of Baths	Type Heat & Heat Service	# Pkng Spaces C=Covered E=Enclosed U=Uncovered	# of Moorage Slips	# of Fireplaces	Area of Unit incldg garage	Undivided Interest in Common Elements Phase I	Minimum Undivided Interest in Common Elements Upon Completion of All Phases
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9812090060

1	1	2	2	gas	2 E	0	1	1756	1/5	1/18
2	1	2	2	gas	2 E	0	1	1758	1/5	1/18
3	2	2	2	gas	2 E	0	1	1802	1/5	1/18
4	2	2	2	gas	2 E	0	1	1792	1/5	1/18
5	2	2	2	gas	1 E	0	0	1430	1/5	1/18

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EXHIBIT C

PHASED OWNERSHIP INTEREST

PHASE	# OF UNITS PER PHASE	OWNERSHIP INTEREST
Phase 1	5	1/5 each
Phase 2	5	1/10 each
Phase 3	5	1/15 each
Phase 4	3	1/18 each

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