**201909170040**09/17/2019 12:34 PM Pages: 1 of 5 Fees: \$107.50
Skagit County Auditor

After Recording, Return to:

Bayside East Condominium Association
P.O. Box 675
Anacortes, WA 98221

DOCUMENT TITLE:	FIFTH AMENDMENT TO THE COVENANTS, RESTRICTIONS AND RESERVATIONS FOR BAYSIDE EAST, A CONDOMINIUM
REFERENCE NUMBER(S):	Declaration: 8412180020 Amendment No. 1: 200306200069 Amendment No. 2: 200505200042 Amendment No. 3: 200806260060
GRANTOR(S):	BAYSIDE EAST, a condominium
GRANTEE(S):	BAYSIDE EAST, a condominium
LEGAL DESCRIPTION:	BAYSIDE EAST, A CONDOMINIUM, CREATED BY A DECLARATION FILED ON THE 18 TH DAY OF DECEMBER 1984, UNDER SKAGIT COUNTY AUDITOR'S FILE NO. 8412180020, VOLUME 584, OF PLATS, PAGE 341, RECORDS OF SKAGIT COUNTY, WASHINGTON.
ASSESSOR'S PARCEL NOS.:	P83108 to and including P83123

**AMENDMENT 5 TO DECLARATION AND COVENANTS, CONDITIONS, RESTRICTIONS AND
RESERVATIONS
FOR BAYSIDE EAST, A CONDOMINIUM**

WHEREAS, a certain Declaration and Covenants, Conditions, Restrictions and Reservations was recorded on December 18, 1984, under Recording No. 8412180020, in the records of Skagit County, State of Washington, as amended (the "Declaration"); and

WHEREAS, pursuant to Section 22.1 of the Declaration, not less than a majority of the Board of Directors of Bayside East Condominium Association have voted to submit this Amendment ~~5~~ to Declaration to the Owners for their approval; and

WHEREAS, pursuant to Section 22.1 of the Declaration, after notice to all the Owners entitled to vote thereon duly given, not less than Seventy-Five percent (75%) of the Unit Owners have consented in writing to amend the Declaration as hereinafter set forth; and

NOW, THEREFORE, the Chairman and Secretary of Bayside East Condominium Association certify the Declaration to have been amended in the following particulars:

Section 11.15 – Rental Apartments – shall be and hereby is replaced with the following new Section 11.15:

11.15 Leasing.

11.15.1 General

Unit Owners may Rent their Units only subject to the terms and conditions of this Section. The Association shall supervise all Renting of Units to ensure compliance with this Section. All Leases:

- (a) shall be written;
- (b) shall have a minimum initial term of not less than one (1) year;
- (c) shall not Lease less than the entire Unit nor sub-Lease the Unit;
- (d) shall not be for hotel, Air BnB, VRBO or similar purposes (which here means Leasing for any period of less than one (1) year);
- (e) shall provide that the Lease is subject to the Governing Documents;
- (f) shall provide that the Tenant's failure to comply with the Governing Documents shall be a default under the Lease;
- (g) shall provide a written acknowledgment, signed by the Tenant, acknowledging receipt of the Governing Documents and acknowledging that the Tenant is bound to comply with the Governing Documents; and
- (h) shall not violate the Restriction on Leasing set forth below.

11.15.2. Restriction on Leasing of Units.

11.15.3. Purpose. This Restriction on Leasing of Units serves to advance the Owners' collective desire to improve access to resale financing, increase Owner involvement in the Association, increase safety and a sense of community by reducing or minimizing residential transiency, and improve Owner and Association access to favorable insurance coverage.

11.15.4. Restriction on Leasing. Except as provided in Sections 11.15.5 through 11.15.8 below, no Owner of a Unit may Lease the Unit after the date of recording this Declaration if Leasing the Unit would result in more than two (2) Units in the Condominium being leased at the same time.

11.15.5. Exemption for Current Owned Units. This Restriction on Leasing shall not apply to the current Owner of any Unit. Owners who purchase Units after the recording date of this Amendment shall be subject to the Restriction on Leasing.

11.15.6. Exemption for Units Not Deemed Rentals. Units occupied by (a) one or more Related Parties of a Unit Owner, whether or not the Owner also occupies the Unit and whether or not rent is charged or paid; or (b) the Unit Owner and no more than one additional adult who is neither married to the Owner nor paying rent or other consideration to the Owner, shall not be deemed to be Rented for purposes of this Section 1.2 and shall not be subject to the limitations and restrictions on Rented Units set forth in this Section 1.2.

11.15.7. Exemption for Mortgagee In Possession. A Mortgagee which acquires fee title to a Unit shall not be subject to the Restriction on Leasing, except that such Mortgagees must comply with any regulation adopted pursuant to Section 11.15.10.

11.15.8. Authorization to Grant Waivers. The Board may grant waivers of this Restriction on Leasing for up to one (1) year at a time ("a Waiver") where:

- (a) The restriction on Leasing results in a substantial hardship on an Owner, that is not of the Owner's own making, such that a waiver is warranted in view of the Owner's circumstances; or
- (b) An Owner's circumstances result in the Owner's temporary absence from a Unit.

11.15.9. Use of Waiting List. If an Owner of a Unit that is not exempt from this Restriction on Leasing desires to Lease the Unit at a time when two (2) or more Units are being Leased, the Owner may apply for a Waiver or place the Unit on a first-come, first-served waiting list to be used when fewer than two (2) Units are being Leased. If two (2) or more Units are being Leased at the time a Tenant surrenders occupancy of a Unit that is not exempt, then the Owner of such Unit shall be placed at the bottom of the waiting list, if such waiting list exists. If no such waiting list exists at the time the Owner's Unit becomes vacant, the Owner shall have up to sixty (60) days from the date occupancy was surrendered within which to commence a Lease of the Unit to a different Tenant, unless the Owner waives its right to seek a replacement Tenant by written notice to the Board of its intent to waive that right. If the Owner fails to Lease that Unit to a Tenant within the sixty (60) day period, then the Owner's name shall be placed at the bottom of the waiting list, unless the Board grants the Owner an extension. The Association shall then offer the Owner of the Unit next in line on the waiting list sixty (60) days to Lease that Owner's Unit. If that Owner (a) waives its right to Lease at that time by written notice to the Board or (b) fails to Lease that Owner's Unit within the sixty (60) day period, then that Owner's name shall be placed at the bottom of the waiting list, unless the Board grants the Owner an extension. This

offer procedure shall then be repeated for the next Owner on the waiting list and shall be repeated until an Owner to whom the offer is extended Leases the Owner's Unit within the allowed sixty (60) day period. The Board, in the exercise of its sole discretion and upon an Owner's showing of good cause, may grant an Owner up to two (2) extensions of up to thirty (30) additional days each. An Owner who does not intend to Lease the Owner's Unit at the end of an existing Lease term should promptly notify the Board in writing that, as of a date specified in such notification, the Unit will cease to be Leased.

11.15.10. Rules and Regulations. In addition to the Leasing requirements set forth in this Section, the Board is authorized to adopt reasonable Rules and Regulation, consistent with the Declaration, governing any and all aspects of the Leasing of Units, and mitigating impacts Leasing may cause. The Board's rulemaking authority includes authority to create Rules and Regulations that:

- (a) Define what undefined words and phrases used in the Governing Documents mean in the context of leasing-related activity;
- (b) Establish a reasonable fee, payable by an Owner prior to a Unit Occupant's move-in, to cover move-in and/or move-out damage to the Common Elements and facilities; and
- (c) Establish a criterion for Board use in acting on Waiver requests made under Section 11.15.8.

11.15.11. Rent to Association. If a Unit is Leased by its Owner, and that Owner is more than thirty (30) days delinquent in payment of Assessments or other costs to the Association, the Board may collect, and the Tenant shall pay over to the Board, so much of the rent for that Unit as is required to pay any amounts due the Association. The Tenant shall not have the right to question payment over to the Board and such rental payment shall be made in such form as directed by the Board. To the extent such rent is paid to the Association, that payment will discharge the Tenant's duty of payment of rent to the Owner. It will not discharge the liability of the Owner, a purchaser, and the Unit, for Assessments and charges, and it will not operate as an approval of the Lease. The Board may not exercise this power where a receiver has been appointed for the Unit or its Owner, or in derogation of any rights which a Mortgagee of the Unit may have to the rent. This Section shall apply to assessment delinquencies that exist both as of and following the recording of this Declaration.

This Amendment to Declaration shall take effect upon recording. The terms of this Amendment to the Declaration shall control over and implicitly amend any inconsistent provision of the Declaration or the Bylaws of the Association. Except as amended by this instrument, the Declaration shall remain in full force and effect.

DATED this ____ day of _____, 2019.

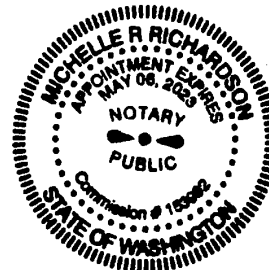
BAYSIDE EAST CONDOMINIUM ASSOCIATION
A Washington Nonprofit Corporation

By Judith M. Heidman
Judith M. Heidman - Chairman

ATTEST: The above Amendment
was properly adopted.

By Dorothy Leischner
Dorothy Leischner - Secretary

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)



I certify that I know or have satisfactory evidence that JUDITH M. HEIDMAN is the person who appeared before me, and said person acknowledged that SHE signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledge it as the **Chairman** of Bayside East Condominium Association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED 9/17/2019, 2019.

Michelle Richardson
Type/Print Name: Michelle R. Richardson
NOTARY PUBLIC in and for the State of
Washington, residing at Anacortes
My Commission Expires: 05/06/2023

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that DOROTHY LEISCHNER is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledge it as the **Secretary** of Bayside East Condominium Association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED 9/17/2019, 2019.

Michelle Richardson
Type/Print Name: Michelle R. Richardson
NOTARY PUBLIC in and for the State of
Washington, residing at Anacortes
Commission Expires: 05/06/2023

