

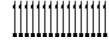
AFTER RECORDING RETURN TO:

Leahy McLean Fjelstad

25 Central Way, Suite 310
Kirkland, WA 98033
(425) 889-8191

LEAHY 201302200010
Amended Declaration Rec Fee: \$ 216.00
02/20/2013 08:45 AM
Walter Washington, Kitsap Co Auditor
1111010111101111110 111 1 1111111111111 E1M11.1

Page: 1 of 73



**AMENDED AND RESTATED DECLARATION FOR
VIKING'S CREST, A CONDOMINIUM**

Grantor: VIKING'S CREST OWNERS ASSOCIATION, a Washington non-profit corporation

Grantee: VIKING'S CREST, A CONDOMINIUM

Abbreviated

Legal Description: VIKING'S CREST, A CONDOMINIUM, with declaration recorded under Kitsap County Recording Number 9410060203.

Tax Parcel ID #s: 8052-000-000-0000, 8064-000-000-0006 (Master Tax Parcel Numbers)

Reference # (if applicable): 9410060203, 200307080191

DEPARTMENT OF ASSESSMENTS

Examined and approved this _____ day of
_____ 2013

Assessor

**AMENDED AND RESTATED DECLARATION FOR
VIKING'S CREST, A CONDOMINIUM**

The Declarant of Viking's Crest, A Condominium (the "Condominium") created the Condominium through recording a Condominium Declaration (the "Original Declaration") filed under Kitsap County Recording Number 8212070075. The Survey Map and Plans were filed under Kitsap County Recording Number 8212070074. The Declaration has been amended nine (9) time(s) under Kitsap County Recording Number(s) 8305170106, 8306090034, 9410060203, 9508100165, 9609230189, 3153746, 200008240284, 200110080111, and 200307080191. The Survey Map and Plans have been amended eight (8) times under Kitsap County Recording Numbers 8305110176, 8306100130, 8502130115, 9410060196, 9508100164, 9609230188 and 3153741.

To satisfy requirements of Declaration Article 26:

1. A majority of the Board of Directors of Viking's Crest Owners Association (the "Association") voted to submit this Amendment to Declaration ("the Amendment") to the Owners for their approval;
2. All Owners were duly notified in writing of this proposed Amendment and were given a copy of it before the Owners approved it;
3. Not less than sixty-seven percent (67%) of the votes in the Association, by consenting in writing to this Amendment, have approved the Amendment; and
4. After not less than thirty (30) days notice to all the Eligible Mortgagees (if any) duly given, not less than fifty-one percent (51%) of the Eligible Mortgagees have expressly or impliedly consented to amend the declaration as set forth.

CERTIFICATE

NOW, THEREFORE, the President or other officer of the Association certifies that this Amended and Restated Declaration for Viking's Crest, A Condominium, was approved in the manner described above.

[Rest of this page intentionally left blank.]

This amendment shall take effect upon recording.

Dated this _____ day of January, 2013

VIKING'S CREST OWNERS ASSOCIATION

By: _____
Print Name: _____ *-S<=)*
Print Office Held: _____

STATE OF WASHINGTON

)ss.

COUNTY OF KITSAP

I certify that I know or have satisfactory evidence that name 14e (_____) is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as an officer of Viking's Crest Owners Association and as the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

o:ttttttt •14,..
%*****
f.r. s
r: .: 10TARK : r. s
1 : Feb 22 2014 : 47
%St%
(7), PUBLI%-Vk
°t dP.....AS4
%/:shatto1

Dated this 4 day of January, 2013
(Signature)
- - Public in and for e State of Washington
My Appointment expires 21-a 12-004
Print/type name LC., rel. 1-10, (- r. -

AMENDED AND RESTATED

DECLARATION FOR

VIKING'S CREST, A CONDOMINIUM

TABLE OF CONTENTS

ARTICLE 1.FUNDAMENTAL PURPOSES.....	1
ARTICLE 2.CONSTRUCTION AND INTERPRETATION	1
2.1 General Construction.....	1
2.2 Words Defined In Glossary.....	1
2.3 Form of Words and Captions.	2
2.4 Interpretation in Furtherance of Fundamental Purposes.	2
2.5 Authority to Interpret.	2
2.6 Rules of Interpretation.....	2
ARTICLE 3.GENERAL DESCRIPTION.....	3
ARTICLE 4.DESCRPTION OF UNITS.....	3
4.1 Number and Identification of Units.	3
4.2 Unit Boundaries / Common Elements.....	4
4.3 Unit Data.	5
4.4 Allocated Interests.....	5
4.5 Exclusive Ownership.....	5
ARTICLE 5.COMMON ELEMENTS	5
5.1 Description of Common Elements.	5
5.2 Use	6
5.3 Conveyance or Encumbrance of Common Elements.....	6
ARTICLE 6.LIMITED COMMON ELEMENTS.....	6
6.1 Description.	6
6.2 Reallocation.....	7
6.3 Use.....	8
ARTICLE 7.PARKING	8
7.1 Description.	8
7.2 Use of Parking Spaces.....	8
7.3 Licensing or Rental of Parking Spaces.	9
ARTICLE 8.RESIDENTIAL USE; LEASING; MAINTENANCE.....	9
8.1 Residential Use; No Trade or Business; Timesharing Prohibited.....	9
8.2 Leasing.	9
8.3 Restriction On Leasing Of Units.....	10
8.4 Responsibility for Maintenance and Repair.	12
8.5 Exterior Appearance.....	13
8.6 Reserve Study	13
8.7 Effect on Insurance.....	15

8.8	Use of Common and Limited Common Elements; Consent Required to Alter.	15
8.9	Signs.	15
8.10	Pets.	16
8.11	Quiet Enjoyment.	16
8.12	Trash and Outside Storage.	16
8.13	Offensive Activity.	16
8.14	Hazardous Substances.	16
8.15	Conveyance by Owners; Notice Required.	17
ARTICLE 9. ENTRY FOR REPAIRS OR MAINTENANCE.....		18
9.1	Entry of Units; Notice Required.....	18
9.2	Failure of Owner to Maintain or Repair.....	18
9.3	Inspection.	18
ARTICLE 10. OWNERS ASSOCIATION		19
10.1	Form of Association.	19
10.2	Bylaws.	19
10.3	Qualification and Transfer.	19
10.4	Voting.	20
10.5	Notice of Any Association Meeting.	20
10.6	Quorum.....	21
10.7	Powers of the Association.	21
10.8	Financial Statements and Records.....	23
10.9	Inspection of Condominium Documents, Books and Records.	24
ARTICLE 11. THE BOARD		24
11.1	Selection of the Board and Officers.	24
11.2	Powers of the Board.	24
11.3	Limitations on Board Authority.	25
11.4	Managing Agent.	25
11.5	Right to Notice and Opportunity to Be Heard.....	25
ARTICLE 12. BUDGET AND ASSESSMENTS		26
12.1	Fiscal Year.....	26
12.2	Preparation of Budget.....	26
12.3	Ratification of Budget.	26
12.4	Supplemental Budget.	27
12.5	Assessments for Common Expenses.....	27
12.6	Special Assessments.....	27
12.7	Creation of Reserves; Assessments.....	27
12.8	Notice of Assessments.	28
12.9	Payment of Monthly Assessments.	28
12.10	Proceeds Belong to Association.	28

12.11 Failure to Assess.....	28
12.12 Certificate of Unpaid Assessments.	28
12.13 Recalculation of Assessments.	28
ARTICLE 13. LIEN AND COLLECTION OF ASSESSMENTS	29
13.1 Assessment Liens and Priority.	29
13.2 Lien May be Foreclosed; Judicial Foreclosure.	30
13.3 Nonjudicial Foreclosure.	30
13.4 Receiver During Foreclosure.	31
13.5 Assessments Are Personal Obligation.....	31
13.6 Extinguishment of Lien and Personal Liability.....	31
13.7 Joint and Several Liability.....	31
13.8 Late Charges and Interest on Delinquent Assessments.....	32
13.9 Recovery of Attorney's Fees and Costs.	32
13.10 Security Deposit.	32
13.11 Acceleration of Assessments.....	32
13.12 Remedies Cumulative.	32
ARTICLE 14. ENFORCEMENT	32
14.1 Strict Compliance.	32
14.2 Liability for Damages and Misconduct.....	33
14.3 Board Hearings.....	33
14.4 Judicial Enforcement.	33
14.5 Enforcement Against Tenants.	34
14.6 Recovery of Attorney's Fees and Costs.	34
14.7 Failure of Board to Insist on Strict Performance No Waiver.	35
14.8 Remedies Cumulative.	35
ARTICLE 15. ALTERNATIVE DISPUTE RESOLUTION.....	35
15.1 Mandatory Mediation.	35
ARTICLE 16. TORT AND CONTRACT LIABILITY	37
16.1 Limitation of Liability for Utility Failure, etc.	37
16.2 No Personal Liability.	37
ARTICLE 17. INDEMNIFICATION	38
ARTICLE 18. INSURANCE	38
18.1 General Requirements.	38
18.2 Property Insurance.....	39
18.3 Commercial General Liability Insurance.	39
18.4 Insurance Trustee; Power of Attorney.	40
18.5 Additional Policy Provisions.....	40
18.6 Fidelity Insurance.....	41

18.7 Owner's Responsibility For Certain Repair Costs.	41
18.8 Use of Insurance Proceeds.	42
ARTICLE 19. SIGNIFICANT DAMAGE AND REPAIR	43
19.1 Definitions: Significant Damage, Repair, Emergency Work.....	43
19.2 Initial Board Determination.	43
19.3 Notice of Damage.....	44
19.4 General Provisions.	44
19.5 Restoration By the Board.	45
19.6 Procedure for Repair Vote.....	45
19.7 Effect of Decision Not to Repair.....	46
ARTICLE 20. CONDEMNATION	46
20.1 Consequences of Condemnation; Notices.....	46
20.2 Power of Attorney.	46
20.3 Condemnation of a Unit.	47
20.4 Condemnation of Part of a Unit.	47
20.5 Condemnation of Common or Limited Common Elements.	47
20.6 Reconstruction and Repair.	47
ARTICLE 21. EASEMENTS.....	48
21.1 In General.....	48
21.2 Easements to Carry out Article 9.	48
21.3 Encroachments.	48
ARTICLE 22. SUBDIVIDING OR ALTERING UNITS.....	48
22.1 Submission of Proposal to Subdivide Unit.	48
22.2 Approval Required for Subdivision.	49
22.3 Minor Alterations.	49
22.4 Adjoining Units.	49
22.5 Substantial Alteration.	49
22.6 Procedure After Approval.	50
22.7 Relocation of Boundaries -- Adjoining Units.	50
22.8 Meeting with Board.....	50
ARTICLE 23. AMENDMENT	50
23.1 Purpose.	50
23.2 General Rule.....	50
23.3 Exceptions.	51
23.4 Steps.	52
23.5 Validity of Amendment.....	52
23.6 Existing Mortgagee Protection.....	52

ARTICLE 24. TERMINATION OF CONDOMINIUM..... 53
 24.1 Action Required. 53
 24.2 Condominium Act Governs. 53
ARTICLE 25. NOTICES 53
 25.1 Form and Delivery of Notice. 53
 25.2 Notices to Eligible Mortgagees. 53
ARTICLE 26. GENERAL 54
 26.1 Effective Date..... 54
 26.2 Inflationary Increase in Dollar Limits..... 54
 26.3 Reference to Survey Map and Plans. 55
ARTICLE 27. GLOSSARY 55
 27.1 Words Defined. 55
SCHEDULE A..... 60
SCHEDULE B..... 1

AMENDED AND RESTATED DECLARATION FOR VIKING'S CREST, A CONDOMINIUM

ARTICLE 1. FUNDAMENTAL PURPOSES

The Declarant created the Original Declaration. The Original Declaration has served to guide the Association in maintaining the Condominium and in managing the affairs of the Association.

Through the shared experience of owning and living in a common interest community, the Owners have learned that the various tasks of self-governance serve to advance one or both of these two fundamental purposes: (a) preserving the physical improvements and (b) preserving the relationships among and between Owners (the "Fundamental Purposes").

The experience of self-governance has taught the Association that, by caring for the physical improvements and by attending to the quality of the relationships among Owners, the value of the Condominium and of individual Units is preserved and enhanced.

The Owners, in creating this Declaration, intend to create an instrument of self-governance which better ensures that various tasks of self-governance will be performed in a manner which best advances the Fundamental Purposes. The Owners bring this Declaration into existence through amendment of the Original Declaration and intend that the contents of this Declaration replace the contents of the Original Declaration

ARTICLE 2. CONSTRUCTION AND INTERPRETATION

2.1 General Construction.

The Declaration and the Washington Condominium Act, codified at RCW 64.34, as it may be amended ("Condominium Act"), provide the framework by which the Condominium exists and operates. This Declaration shall be construed in accordance with the laws of the State of Washington. This Declaration shall be interpreted in its entirety to accomplish its intended objectives. In the event of a conflict between the provisions of the Declaration and the Condominium Act, the Condominium Act shall prevail. In the event of a conflict between the provisions of the Declaration and the Bylaws or the Declaration and any Rules adopted by the Association, the Declaration shall prevail except to the extent the Declaration is inconsistent with the Condominium Act. The creation of the Condominium shall not be impaired and title to a Unit and its interest in the Common Elements shall not be rendered unmarketable or otherwise affected by reason of an insignificant failure of this Declaration or the Survey Map and Plans or any amendment thereto to comply with the Washington Condominium Act.

2.2 Words Defined In Glossary.

A word or phrase appearing in the body of a sentence with the first letter in a word or words capitalized is a defined term. Article 27 is a Glossary in which the meanings of defined terms are given. Some terms defined in the Glossary or elsewhere in the Declaration or

Governing Documents are also defined in the Condominium Act. Definitions in the Declaration are not meant to limit or contradict definitions in the Condominium Act, except that Declaration definitions may be meant to expand upon definitions in the Condominium Act. If there is any unintended inconsistency or conflict, the Condominium Act definition will prevail.

2.3 Form of Words and Captions.

The singular form of words shall include the plural and the plural shall include the singular. Masculine, feminine, and gender-neutral pronouns shall be used interchangeably. The captions of each Article and Section are used only for convenience and are not to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer.

2.4 Interpretation in Furtherance of Fundamental Purposes.

The Association has tried to clearly state its Fundamental Purposes and to unambiguously state the covenants, conditions and restrictions contained in this Declaration. The Association acknowledges, however, that its earnest efforts to capture its intended meanings in clear, unambiguous words and phrases may prove, over time, to have been imperfect, and that the need may arise to discern intended meanings through the process of interpretation. This Declaration and the Governing Documents shall, in such instances, be interpreted so as to advance the Fundamental Purposes. And, to that end, the following delegation of authority and the following guidelines shall apply to interpretation of this Declaration and the Governing Documents.

2.5 Authority to Interpret.

The Board shall have sole authority to interpret the Declaration and the Governing Documents. The Board may delegate this authority to another body or Person, as permitted by Section 14.3.3 below. The authority to interpret here created is a right, but not a duty, of the Person or body so authorized and whether or not to exercise this authority is a decision left to the sole discretion of the Person or body so authorized. A court or arbitrator, in reviewing the interpretation of an authorized Person or body, shall accord substantial weight to such interpretation and shall defer to such interpretation unless the interpretation is erroneous as a matter of law.

2.6 Rules of Interpretation.

Any Person or group exercising authority to interpret this Declaration and the Governing Documents shall be guided by the following principles:

2.6.1. Intent is the touchstone of all interpretation. The objective is first to discover the intended meaning of the words which appear on these pages.

2.6.2. In searching for the intended meaning of a word or phrase, look first to the word or phrase itself. A word or phrase which is defined in the Glossary at Article 27 of this Declaration means what it is there defined to mean. A word or phrase which is not defined in the Glossary has the meaning it carries in common usage, which may be established by looking it up in a dictionary.

2.6.3. An unambiguous word or phrase is to be enforced as written. The authority to interpret this Declaration and the Governing Documents does not extend to altering, through interpretation, the meaning of a word or phrase which is clear and unambiguous on its face as written.

2.6.4. A word or phrase is ambiguous if it is capable of more than one reasonable meaning.

2.6.5. The objective in interpreting an ambiguous word or phrase is to arrive at that interpretation which most accurately captures the word's or phrase's intended meaning.

2.6.6. In attempting to discern the intended meaning of an ambiguous word or phrase, one may:

(a) Consider the context in which the word or phrase appears (i.e., the sentence, paragraph or Article within which the word or phrase appears) and the intended purpose of such larger passage within which the word or phrase appears;

(b) Consider the Fundamental Purposes and choose that interpretation which best advances the Fundamental Purposes; and

(c) If resort to (a) and (b) above does not eliminate the ambiguity, then resort to considering clues to intended meaning(s) in the form of evidence about what the Board and Association have done or said when applying the Declaration and Governing Documents.

2.6.7. In interpreting the Survey Map and Plans, the existing physical boundaries of the buildings and each Unit as constructed in substantial accordance with the Survey Map and Plans shall be conclusively presumed to be its boundaries.

ARTICLE 3. GENERAL DESCRIPTION

The Condominium created by the Declaration and the Survey Map and Plans is Viking's Crest, A Condominium. The real property included in the Condominium is described in Schedule A. The Condominium consists of one-hundred twenty (120) Units. See the Survey Map and Plans and Schedule B for more information.

ARTICLE 4. DESCRIPTION OF UNITS

4.1 Number and Identification of Units.

The Identifying Number of each Unit is set forth in Schedule B. The location of each Unit is shown on the Survey Map and Plans.

4.2 Unit Boundaries / Common Elements.

4.2.1. Condominium. The Condominium is comprised of Common Elements and Units.

4.2.2. Unit. A Unit is comprised of its boundaries and all items wholly within its boundaries.

4.2.2.1 Boundary. A Unit's boundaries are its perimeter walls, floors, and ceilings. Its boundaries include any materials constituting any part of the finished surfaces of the Unit. Finished surfaces include, but are not limited to, all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, carpet, and finished flooring.

4.2.2.2 Item Wholly Within Boundary. All spaces, interior partitions, appliances, fixtures and improvements that are located wholly within the boundaries of a Unit are a part of the Unit.

4.2.3. Common Elements. The Common Elements are all portions of the Condominium other than the Units.

4.2.3.1 Beyond Boundary. Common Elements include items which are not specifically defined as part of the Unit boundaries, including exterior windows, exterior doors, and all other portions of the walls, floors, and ceilings not included in the Unit's boundary.

4.2.3.2 Item Partially Within Boundary, Serves Condominium. An item that is partly inside and partly outside a Unit's boundary and that serves the Condominium is a Common Element.

4.2.4. Limited Common Elements. A Common Element that is allocated to the exclusive use of a specific Unit(s) is a Limited Common Element.

4.2.4.1 Item Partially Within Boundary, Serves Specific Unit(s). An item that is partly inside and partly outside a Unit's boundaries and that serves the specific Unit(s) is a Limited Common Element of the Unit(s).

4.2.5 Definitions and Interpretation. Article 5 lists Common Elements and Article 6 lists Limited Common Elements. In the event of a conflict between the provisions of this Section 4.1 and any provision of Article 5 or Article 6, this Section 4.1 prevails, except to the extent it is inconsistent with the Act. "Window" as used in this Section 4.1 means an opening in the wall or ceiling of a structure to admit light or to see through and includes any seal, frame, sash, pane of glass and any other item located within the opening. "Door" as used in this Section 4.1 means a space in a wall through which a building or room may be entered and includes any seal, frame, moveable structure or any other item located within such space.

4.2.6 Maintenance and Repair Matrix. The Board may by resolution adopt a table depicting, for items listed in the table, the allocation of maintenance and repair responsibilities that are made in the Declaration ("Maintenance and Repair Matrix"). Such a Maintenance and Repair Matrix may be used by the Board as an aid in determining who must do what in connection with maintenance and repair to a specific item. In the event of a conflict between the provisions of the Declaration and the content of a Maintenance and Repair Matrix, the provisions of the Declaration prevail, except to the extent the Declaration is inconsistent with the Act.

4.3 Unit Data.

Schedule **B** sets forth the building in which each Unit is located, each Unit's Unit number, each Unit's approximate area, the number of bathrooms and bedrooms, whether each Unit has a built-in fireplace, and the level on which the Unit is located. The location and configuration of each Unit is shown in the Survey Map and Plans.

4.4 Allocated Interests.

Schedule **B** sets forth the Allocated Interest of each Unit. A Unit's Allocated Interest is its percentage of the total ownership. Common Expense Liability and ownership interest in the Common Elements are allocated by percentage of ownership.

4.5 Exclusive Ownership.

Each Unit, together with its undivided common interest in the Common Elements, is a separate parcel of real property. An Owner is entitled to the exclusive ownership and possession of his Unit, subject to matters appearing of record and matters contained in the Governing Documents.

ARTICLE 5. COMMON ELEMENTS

5.1 Description of Common Elements.

The Common Elements are all portions of the Condominium other than the Units (defined in Article 4). Portions of the Common Elements are designated Limited Common Elements (defined in Article 6). Common Elements include items which are not specifically defined as part of the Unit boundaries, including all other portions of the walls, floors, or ceilings. Common Elements also include any chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture which lies partially within and partially outside the boundaries of a Unit and which serves more than one Unit or serves any portion of a Common Element. The Common Elements include:

5.1.1. Any wiring, ducts, pipes, valves, structural or other mechanical parts of the building contained within a wall which is included in the perimeter of a Unit, as shown on the Survey Map and Plans, shall be a part of the Common Elements to the point of the outlet, fixture or fireplace opening at the boundary of the Unit;

5.1.2. Any wiring, conduit, vent, pipe, valve, control, pump, meter, motor, compressor or other item constituting a part of or relating to the furnishing of any utility or facility to the building or which exists for common use;

5.1.3. Any parking spaces, mailboxes and storage areas not assigned to a Unit; and

5.1.4. The clubhouse building and swimming pool.

5.2 Use.

Except as provided in this Article and in Section 6.3, each Owner shall have the right to use the Common Elements in common with all other Owners and a right of access from the Owner's Unit across the Common Elements to the public street. The right to use the Common Elements extends not only to each Owner, but also to his agents, servants, Tenants, Related Parties, invitees, and licensees. The right to use the Common Elements, including the Limited Common Elements, shall be governed by the provisions of the Condominium Act and the Governing Documents. No obstruction shall be placed in the Common Elements without the Board's prior written consent.

5.3 Conveyance or Encumbrance of Common Elements.

Portions of the Common Elements not necessary for the habitability of a Unit may be conveyed or subjected to a security interest by the Association by action of the Owners having at least eighty percent (80%) of the votes in the Association; but all of the Owners of Units to which any Limited Common Element is allocated must agree in order to convey that Limited Common Element or subject it to a security interest. An agreement to convey Common Elements or subject them to a security interest must (a) be executed or ratified in the same manner as a deed by the requisite number of Unit Owners, (b) specify a date after which the agreement will be void if not recorded before that date, and (c) be recorded in each county in which any part of the Property exists. The agreement is only effective when recorded. Except as provided in Section 6.2 of this Declaration, any Conveyance, encumbrance, judicial sale or other transfer (voluntary or involuntary) of an undivided interest in the Common Elements shall be void unless the Unit to which that interest is allocated is also transferred.

ARTICLE 6. LIMITED COMMON ELEMENTS

6.1 Description.

The Limited Common Elements are items allocated to a Unit(s), but which do not fall entirely within the Unit(s)' boundaries as described in Article 4. Limited Common Elements that are allocated to a Unit(s) include:

6.1.1. The patio and deck, if any, which is adjacent to each Unit, as may be more particularly shown and designated as a Limited Common Element on the Survey Map and Plans, the boundaries of said patio and deck being defined by the interior surfaces of the wall, floor, ceiling, doors, windows, ground, railings, fence or curb enclosing said patio/yard area,

deck or lanai; provided that, if no such fence, curb or other enclosure exists, then the boundary of such Limited Common Element shall be as depicted on the Survey Map and Plans;

6.1.2. The covered or uncovered parking space assigned to a Unit, as may be shown on the Survey Map and Plans and/or O, the boundaries of said parking space being defined by the interior surfaces of the walls, floor, curb and/or striping enclosing said parking space;

6.1.3. The mailbox assigned to a Unit, as may be shown on the Survey Map and Plans and/or Schedule B;

6.1.4. Such other Limited Common Element, if any, as may be shown on the Survey Map and Plans and/or Schedule B;

6.1.5. The storage closet adjacent to the deck or patio assigned to a Unit, as may be shown on the Survey Map and Plans and/or Schedule **B**, the boundaries of a storage closet being defined by the interior surfaces of the top, bottom, door and sides of the storage closet;

6.1.6. Any chute, flue, firebox, conduit, bearing wall, bearing column, or any other fixture which is located partially within and partially outside of the Unit's boundaries but is designed to serve a single Unit;

6.1.7. Items which are located outside of the Unit's boundaries but are designed to serve a single Unit, such as: shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, and storm doors;

6.1.8. All exterior doors and exterior windows or other fixtures that serve only a single Unit; and

6.1.9. Any fireplace serving the Unit.

6.2 Reallocation.

6.2.1. A Limited Common Element may be reallocated between Units only by (a) first obtaining prior approval from the Board and then (b) recording an amendment to the Declaration executed by the Owners (and the respective Mortgagees) of the Units to which the Limited Common Element was and will be allocated.

6.2.2. The Board shall approve the reallocation request within sixty (60) days of receipt, unless the proposed reallocation does not comply with the Condominium Act or the Declaration. The Board's failure to act upon the request within the sixty (60) day period shall be deemed approval of the reallocation.

6.2.3. The amendment shall be in a form acceptable to the Board. The parties shall be responsible for legal fees and costs, if any, incurred by the Board in having the proposed

amendment reviewed by the Association's attorney, and for recording fees. The amendment shall be recorded in the names of the Condominium and the parties to the reallocation.

6.2.4. A Common Element may be reallocated as a Limited Common Element with the approval of sixty-seven percent (67%) of the total Allocated Interests, including the approval of the Owner of the Unit to which the Common Element will be allocated.

6.2.5. A Limited Common Element may be incorporated into an existing Unit with the approval of sixty-seven percent (67%) of the total Allocated Interests, including the approval of the Owner of the Unit to which the Limited Common Element will be incorporated. Such reallocation or incorporation shall be reflected in an amendment to the Declaration and the Survey Map and Plans executed by (a) a Board officer, (b) all Owners of the Unit affected, and (c) the Mortgagee of the Unit affected.

6.3 Use.

Each Owner shall have the exclusive right to use the Limited Common Elements allocated to the Owner's Unit. The right to use the Limited Common Element extends to the Owner's agents, servants, Tenants, Related Parties, invitees and licensees.

ARTICLE 7. PARKING

7.1 Description.

7.1.1. Parking Spaces. There are a total of one hundred eighty-eight (188) parking spaces. One hundred twenty (120) are assigned to individual Units ("Allocated Parking Spaces") of which one hundred fifteen (115) are covered.. Sixty-eight (68) parking spaces are not covered and not assigned to individual Units ("Unallocated Parking Spaces"). All spaces are numbered. See the Survey Map and Plans and Schedule B for more details.

7.2 Use of Parking Spaces.

The Board is authorized to adopt reasonable rules relating to and governing the use of all parking spaces. Unallocated Parking Spaces are restricted solely for temporary visitor parking of operative transportation vehicles, although the Board, by rule, may permit limited use by Owners and Occupants for loading and unloading. Except to the extent allowed by the Board, the following vehicles may not be stored, maintained, or constructed on the Property: boats, campers, trailers, and commercial vehicles. Owners and Occupants must park in their assigned spaces unless the Board permits otherwise by rule or in writing. Vehicles must fit within the boundaries of the spaces and may not encroach on any other parking space or part of the Property. The Board may direct that any vehicle or other thing improperly parked or kept on the Property or in a parking space be removed, and, if it is not removed, the Board may cause it to be removed at the risk and cost of the Owner thereof. The Board may in its reasonable discretion determine the circumstances under which it will send notices of parking violations and exercise its authority to remove vehicles.

7.3 Licensing or Rental of Parking Spaces.

No assigned parking space may be licensed, rented, or used by any Person who is not an Owner or current Tenant of a Unit. To permanently exchange assigned parking spaces between Units, the parties shall strictly comply with Section 6.2 above. A Unit Owner may permit, license, or rent out the use of a Unit's Limited Common Element parking space(s) to an Owner, to a Tenant or Occupant, to a Related Party, or pursuant to terms and conditions as the Board may by rule impose, to another person. Licensing or rental of a parking space shall be terminated automatically and without notice upon the transfer of title of the Unit to which it is a Limited Common Element.

ARTICLE 8. RESIDENTIAL USE; LEASING; MAINTENANCE.

8.1 Residential Use; No Trade or Business; Timesharing Prohibited.

The Condominium and each Unit is restricted to single family residential use. "Single family residential use" includes social, recreational, or other reasonable activities normally incident to residential use. No Trade or Business may be conducted from any Unit, except that a Home Occupation may be conducted from a Unit. "Home Occupation" means a Trade or Business that meets all of the following seven (7) conditions. The Trade or Business activity: (i) is not apparent or detectable by sight, sound or smell from outside of the Unit; (ii) complies with all applicable land use regulations; (iii) does not involve non-residents of the Condominium coming onto the Property; (iv) does not increase the Association's liability or casualty insurance obligation or premium; (v) does not cause an increase in any Association utility expense; (vi) is consistent with the residential character of the Association; and (vii) does not constitute a nuisance or hazardous or offensive use. Timesharing of Units, as defined in RCW 64.36, is prohibited.

8.2 Leasing.

No Leasing may occur without a Lease. Owners may co-occupy a Unit without a Lease. Because this Declaration is recorded, all who occupy a Unit do so with constructive knowledge of everything contained in the Declaration. This means that a Lease that lacks anything the Declaration requires of a Lease shall nonetheless be deemed to contain what is lacking. That said, the Declaration requires that a Lease:

- (a) shall be written;
- (b) shall have a minimum initial term of six (6) months;
- (c) shall not Lease less than the entire Unit;
- (d) shall not sub-Lease the Unit or assign the Lease;
- (e) shall not be for hotel or transient purposes (which here means Leasing for any period of less than thirty (30) days);
- (0 shall provide that the Lease is subject to the Governing Documents;

- (g) shall provide that the Tenant's failure to comply with the Governing Documents shall be a default under the Lease;
- (h) shall require all Tenants to be a party to the Lease;
- (i) 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
- (j) shall not violate the Restriction on Leasing set forth below.

8.3 Restriction On Leasing Of Units.

8.3.1. 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.

8.3.2. Restriction On Leasing. No Owner of a Unit acquired after the Effective Date may Lease the Unit for one year after conveyance of the Unit to the Owner. Except as provided in Sections 8.3.3 through 8.3.5 below, no Owner of a Unit may Lease the Unit after Effective Date if Leasing the Unit would result in more than nine (9) Units in the Condominium being Leased at the same time. Furthermore, no Owner shall own, at any one time, multiple Units whose combined Allocated Interest exceeds five percent (5%) of the Condominium's total Allocated Interests, provided, however, that an Owner who already exceeds this five percent (5%) limit on the Effective Date may continue doing so, but may not exceed such combined Allocated Interest,

8.3.3. Exemption For Mortgagee In Possession. A Mortgagee which acquires fee title to a Unit may Lease its Unit but in so doing must comply with any rule adopted pursuant to Section 8.3.6.

8.3.4. 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 Section 8.3.2 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 particular circumstances; or
- (b) an Owner's particular circumstances result in the Owner's temporary absence from a Unit.

8.3.5. Use Of Waiting List. If an Owner of a Unit that is not exempt from this Restriction On Leasing under Section 8.3.3 desires to Lease the Unit at a time when nine (9) 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 nine (9) Units are being Leased. If nine (9) or more Units are being Leased at the time a Tenant surrenders occupancy of a Unit

that is not exempt under Section 8.3.3 above, 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 an Extension is granted. 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 an Extension is granted. 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. "Extension" means a period of up to thirty (30) additional days that the Board, in the exercise of its sole discretion and upon an Owner's showing of good cause, may grant to the Owner to Lease the Unit. The Board may grant an Owner up to two (2) such Extensions.

83.6. Board Authorized To Regulate Leasing. In addition to the Leasing requirements set forth in this Section, the Board is authorized to adopt reasonable Rules, 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, without limitation, authority to create rules that:

8.3.6.1. Define what undefined words and phrases used in the Governing Documents actually mean in the context of Leasing related activity;

8.3.6.2. Require Owners to provide copies of any Leases.

8.3.6.3. 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;

8.3.6.4. Require Tenant-screening, including, without limitation, establishing the nature of screening required; provided, however, that any such Tenant-screening rules shall (a) require that the Owner, and not the Association, be responsible for any required Tenant-screening and (b) provide that the Owner certify to the Association that any required Tenant-screening has been performed, but the Owner shall not be required to submit the actual results of such screening to the Association; and

8.3.6.5. Establish criteria for Board use in acting on Waiver requests made under Section 8.3.4.

8.3.7. 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. 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.

8.4 Responsibility for Maintenance and Repair.

Except for those items specifically listed below, the Association is responsible for performing maintenance, repair, and replacement of the Common Elements and the Limited Common Elements, and each Owner is responsible for performing maintenance, repair and replacement of that Owner's Unit, Each Owner shall, at the Owner's sole expense:

8.4.1. Keep the interior of the Unit and its equipment, appliances, and appurtenances in a clean and sanitary condition, free of rodents and pests, and 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 the Unit;

8.4.2. Be responsible for maintenance, repair, and replacement of any plumbing fixtures, water heaters, fans, bathroom exhaust vents and heating equipment which serve only that Unit, whether or not located in the Unit (Example: The obligation to maintain and repair a pipe that serves only one Unit includes being responsible for removing a clog in a pipe that serves only that Unit);

8.4.3. Be responsible for care and routine maintenance of the patio, deck, and storage closet, but shall not be responsible for major maintenance, coating, repair and replacement of these items;

8.4.4. Be responsible for routine cleaning of the dryer vents and of the fireplace and chimney flue, at a frequency established by the Board;

8.4.5. Be responsible for replacing any glass in the windows and in the doors adjacent to the Unit that becomes cracked or broken; and

8.4.6. Be responsible for the care, maintenance, repair, and replacement of any Owner (including previous Owner) modification to the Condominium to the extent required by the Board.

83 Exterior Appearance.

In order to preserve a uniform exterior appearance, the Board shall provide for the maintenance of the Common Elements, including the common drives, walks, corridors, stairways, elevators, exterior windows, exterior doors, and the exterior of the building. No Owner may modify or permanently decorate the Common Elements, or screens, doors, awnings, or other portions of any Unit visible from outside the Unit without the prior written consent of the Board or in accordance with Rules or regulations of the Association. (See Article 22 for regulations concerning minor alterations.) No external antenna, satellite dish, tower or similar device for radio, television or other reception ("Device") shall be placed or permitted to remain in or on or encroach upon any portion of the Common Elements without the prior written consent of the Board. However, the Board may not prohibit non-encroaching installation of Devices in or on an allocated Limited Common Element to the extent that such a Device is protected by the Federal Communications Commission's 1996 OTARD Rule, as amended ("OTARD"), though the Board may regulate such Devices to the extent permitted by OTARD. The Board may but is not required to install and maintain a Device or mast for the purpose of attaching Devices on any Common Element for communal use. Unless otherwise established by a Rule or regulation of the Board, the color(s) of curtains, blinds or draperies visible from outside the Units shall be neutral colors including white, beige, or natural wood tones. Owners shall not replace the glass or screens in the windows or doors except with materials of similar or superior color and quality to those originally installed.

8.6 Reserve Study.

8.6.1. Duty To Prepare and Maintain Reserve Study. The Association shall prepare and annually update a Reserve Study, as further provided below, unless doing so would impose an unreasonable hardship on the Association.

8.6.2. Basis for Reserve Study. The initial Reserve Study performed after the recording of this Restated Declaration must be based upon a visual site inspection by a Reserve Study Professional. The Association shall update the Reserve Study annually. While every annual update need not be based upon a visual site inspection conducted by a Reserve Study Professional, an update shall, at least once every three (3) years, be based upon a visual site inspection conducted by a Reserve Study Professional.

8.6.3. Exception. The Board shall be deemed to be excused from performing a duty imposed by Sections 8.6.1 and 8.6.2 above where the Association's performance of such a duty would impose an unreasonable hardship on the Association.

8.6.4. Contents. A Reserve Study must include:

(a) A Reserve Component list, including roofing, painting, paving, decks, siding, plumbing, windows, and any other Reserve Component that would cost more than one percent of the annual budget for major maintenance, repair, or replacement. If one of these Reserve Components is not included in the Reserve Study, the study should provide commentary explaining the basis for its exclusion. The study must also include quantities

and estimates for Useful Life of each Reserve Component, Remaining Useful Life of each Reserve Component, and current repair and Replacement Cost for each component;

(b) The date of the study and a statement that the study meets the requirements of this Section;

(c) The following level of Reserve Study performed;

(i) Level I: Full Reserve Study funding analysis and plan;

(ii) Level **H**: Update with visual site inspection;

(iii) Level III: Update with no visual site inspection;

(d) The Association's reserve account balance;

(e) The percentage of the Fully Funded Balance that the reserve account is funded;

(f) Special Assessments already implemented or planned;

(g) Interest and inflation assumptions;

(h) Current reserve account Contribution Rate;

(i) A recommended reserve account Contribution Rate, a Contribution Rate for a Full Funding Plan to achieve one hundred percent (100%) fully funded reserves by the end of the thirty (30) year study period, a Baseline Funding Plan to maintain the reserve balance above zero (0) throughout the thirty (30) year study period without special assessments, and a contribution rate recommended by a reserve study professional;

(j) A projected reserve account balance for thirty (30) years and a funding plan to pay for projected costs from those reserves without reliance on future unplanned Special Assessments; and

(k) A statement on whether the Reserve Study was prepared with the assistance of a Reserve Study Professional.

8.6.5. Disclosure. A Reserve Study shall include the following disclosure:

"This Reserve Study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a Reserve Study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special Assessment your share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component."

8.6.6. Relationship to Budget.A Reserve Study is supplemental to the Association's operating and maintenance budget. In preparing a Reserve Study, the Association shall estimate the anticipated major maintenance, repair, and Replacement Costs, whose infrequent and significant nature make them impractical to be included in an annual budget. As part of the summary of any budget to be provided to Owners under Section 12.3 below, the Association shall comply with the disclosure requirements of RCW 64.34. 308(4).

8.6.7. Demand by Owners.Where more than three (3) years have passed since the date of the last Reserve Study prepared by a Reserve Study Professional, the Owners of the Units to which at least twenty percent (20%) of the votes are allocated may demand, in writing, to the Association that the cost of a Reserve Study be included in the next budget and that the study be obtained by the end of that budget year. The written demand must refer to Section 8.6 of the Restated Declaration and to RCW 64.34.386. The Board shall, upon receipt of the written demand, provide Unit Owners making the demand reasonable assurance that the Board will include a Reserve Study in the next budget and, if the budget is not rejected by the Owners, will arrange for the completion of a Reserve Study.

8.6.8. Remedies.In the event a written demand is made and a Reserve Study is not timely prepared, a court may order specific performance and award reasonable attorneys' fees to the prevailing party in any legal action brought to enforce this Section 8.6 and RCW 64.34.386. The Association may assert unreasonable hardship as an affirmative defense in any such action. Without limiting this affirmative defense, an unreasonable hardship exists where the cost of preparing a Reserve Study would exceed ten percent (10%) of the Association's annual budget.

8.7 Effect on Insurance.

Nothing shall be done or kept in any Unit, Limited Common Element, or Common Element that will increase the rate of insurance on the Property without the prior written consent of the Board. Nothing shall be done or kept in any Unit, Limited Common Element, or Common Element that will result in the cancellation of insurance on any part of the Property, or that would be in violation of any laws.

8.8 Use of Common and Limited Common Elements; Consent Required to Alter.

Use of the Common Elements and Limited Common Elements shall be subject to the provisions of this Declaration and the Rules and Regulations of the Board. Nothing shall be altered, constructed in or removed from any Common Element or Limited Common Element except with the prior written consent of the Board, as described in Sections 22.3.5 and 22.5.

8.9 Signs.

No sign of any kind shall be displayed to the public view on or from any Unit, Limited Common Element or Common Element without the prior consent of the Board. The Board may adopt reasonable Rules to regulate, but not prohibit, the display of Political Signs and "For Sale" signs. The Board may, for example, designate an area or areas for display of "For Sale" signs.

8.10 Pets.

Cats, dogs, birds, reptiles and other non-human creatures traditionally kept as pets ("pets") are permitted, subject to Rules and Regulations adopted by the Board. The Board may regulate the type, breed, size, number and behavior of pets kept or allowed anywhere on the Property. Pets must be carried, on a leash or in a carrier when on the Common Elements. Dogs and cats must be registered with the Association. Exotic animals and animals prohibited by law are not permitted. The Board, after Notice and Opportunity to be Heard, may require the removal of any animal which it finds is damaging the Property, including a Unit, or disturbing other Owners unreasonably, and may exercise this authority for specific animals even though other pets are permitted to remain. A Board determination that a violation of this restriction exists is final. That determination is fully enforceable through all available means at Owner expense. This includes, for example, imposing fines and obtaining injunctive relief from a court.

8.11 Quiet Enjoyment.

No Owner shall permit anything to be done or kept in the Owner's Unit, Limited Common Elements or Common Elements which would interfere with the right of quiet enjoyment of the other residents of the Condominium. The Board may adopt Rules relating to and governing the level of noise in a manner that promotes (i) the use, value, and enjoyment of Property, (ii) sleep and repose, and (iii) the quality of the environment.

8.12 Trash and Outside Storage.

Each Owner shall remove all trash or garbage from the Unit and deposit it in proper receptacles. No outside storage is allowed in the Common Elements or Limited Common Elements without prior permission of the Board.

8.13 Offensive Activity.

No noxious or offensive activity may be carried on in any Unit, Limited Common Element or Common Element, nor shall anything be done in any part of the Condominium that may be or become an annoyance or nuisance to other Owners, including, but not limited to, allowing or permitting any continuing vibration, any offensive or obnoxious and continuing noise, or any offensive or obnoxious and continuing odor to emanate from the Unit into any other Unit. The Board may hold a Due Process Hearing to determine whether a violation of this restriction exists. A Board determination that a violation of this restriction exists is final. That determination is fully enforceable through all available means. This includes, for example, imposing fines and obtaining injunctive relief from a court.

8.14 Hazardous Substances.

The Owner of each Unit shall not permit any Hazardous Substance to be generated, processed, stored, transported, handled or disposed of on, under, in or through the Owner's Unit or the Property; and each Owner shall indemnify, defend, and hold harmless the other Owner or Owners and the Association from all fines, suits, procedures, claims and actions of any kind arising out of or in any way connected with any spills or discharges of Hazardous Substances or wastes arising from the operation or use of the Unit or the Property by the Owner or the Tenants

or invitees of the Unit. As used herein, the term "Hazardous Substance" means any hazardous, toxic or dangerous substance, waste or material which is or becomes regulated under any federal, state or local statute, ordinance, rule, regulation or other law now or hereafter in effect pertaining to environmental protection, contamination or cleanup, including without limitation any substance, waste or material which now or hereafter is designated as a "Hazardous Substance" under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 et seq.), or under any local or state rule or regulation. Without limiting the foregoing, Hazardous Substances shall include, but not be limited to, any substance which after being released into the environment and upon exposure, ingestion, inhalation, or assimilation, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavior abnormalities, cancer and/or genetic abnormalities.

8.15 Conveyance by Owners; Notice Required.

8.15.1. An Owner's right to sell or convey the Owner's Unit shall not be subject to any right of approval, disapproval, first refusal, or similar restriction by the Association or the Board, or anyone acting on their behalf.

8.15.2. An Owner must deliver a written notice to the Board at least two (2) weeks before closing a sale or Conveyance of the Owner's Unit. The notice shall specify (a) the Unit being sold; (b) the name and address of the purchaser, the closing agent, and the title insurance company insuring the purchaser's interest; and (c) the estimated closing date.

8.15.3. The Board may notify the purchaser, the title insurance company, and the closing agent of the amount of unpaid Assessments and charges outstanding against the Unit, whether or not such information is requested.

8.15.4. In addition to unpaid Assessments and charges, the Board may charge a transfer fee to defray administrative time and costs associated with a Conveyance, to be paid out of escrow not to exceed one-half (1/2) of the regular monthly Assessment. Such fee shall be disclosed in the Resale Certificate to prospective buyers and shall be charged against the Seller unless the Seller and Buyer otherwise agree.

8.15.5. Promptly upon the Conveyance of a Unit, the new Unit Owner must notify the Association of the date of the Conveyance and the Unit Owner's name and address. The Association may provide the Unit Owner's name and address to each insurance company that has issued an insurance policy under Article 18 and request that the new Owner be made a named insured under that policy.

ARTICLE 9. ENTRY FOR REPAIRS OR MAINTENANCE

9.1 Entry of Units; Notice Required.

9.1.1. Entry and Notice.The Association and its agents or employees may enter any Unit and any Limited Common Element (a) to effect repairs, improvements, replacements, maintenance or sanitation work, and inspections which the Board, in performing its duties, deems necessary, (b) to do necessary work that the Owner is responsible to perform and has failed to perform within a reasonable time of being notified in writing of the need to do the work, (c) to prevent damage to the Common Elements or to another Unit, (d) for insurance rating purposes, or (e) in the event of a fire or other life threatening emergency. The Occupant shall be notified as far in advance of entry as is reasonably practicable, except in an emergency which precludes advance notice. Such entry shall be made with as little inconvenience to the Unit Occupant as practicable.

9.1.2. Emergency Contact Information; Unit Key.The Association or its Managing Agent may request Emergency Contact Information and a Unit key. If requested by the Association, an Owner shall provide Emergency Contact Information and a Unit key. Emergency Contact Information may include, for example, contact information for an absentee or vacationing Owner or information regarding next of kin. The Association is under no obligation to request or store this information or Unit Keys.

9.2 Failure of Owner to Maintain or Repair.

The Board may levy a Special Assessment against an Owner for all or part of the cost of work that the Owner is responsible to perform and has failed to perform, or for work that the Owner is responsible to perform and requested that the Association perform. The Special Assessment may be collected and foreclosed in the manner provided in Article 13.

9.3 Inspection.

9.3.1. Purpose.A failure of certain components in a Unit can cause damage that extends beyond the Unit. Components that can cause damage that extends beyond the Unit include, for example, a Unit's smoke detectors, washer and dryer components, baseboard heaters, garbage disposals, fireplace and flue, bathtubs, sinks, toilets, ice makers, hot water tank and plumbing and electrical fixtures ("High Risk Components"). Preventing a failure of a High Risk Component from occurring is important because repairing damage that originates in a Unit but extends beyond the Unit is costly and complicated. The existence of certain circumstances may establish an elevated risk that a High Risk Component will fail. Preventing failure of a High Risk Component is an objective reasonably pursued by establishing (a) what circumstances may elevate the risk of failure, (b) what means are available for detecting the existence of such circumstances, and (c) what actions, if taken, might avert the failure of a High Risk Component. The Declaration elsewhere describes (a) an Owner's duties to maintain and repair the Owner's Unit and Limited Common Elements, and (b) the Owner's duty to refrain from conduct that will increase the Association's insurance premiums or that may become an annoyance or nuisance to other Owners. This Section 9.3.1 supplements other Declaration-based obligations by

establishing Owner obligations and Association rights with respect to preventing the failure of a High Risk Component.

9.3.2. Process. The Association may cause a High Risk Component to be inspected at a frequency determined by the Board. The Association may require the inspection be undertaken by the Unit Owner at the Owner's expense or the Association may undertake the inspection as a Common Expense or charge the Unit Owner for the expense the Association incurred. The Association shall have the right to enter a Unit for the purpose of inspecting a High Risk Component. Association entry of a Unit for this purpose shall be done in accordance with the provisions of the Association's Governing Documents that establish the scope of the Association's right of entry, including Declaration Section 9.1.

9.3.3. The Association may establish the qualifications required of an inspector. Where the Association directs a Unit Owner to undertake an inspection, the Association may also require the Owner to provide the Association with a written inspection report, signed by the inspector, which states the inspector's findings and recommendations. Where the results of an inspection establish the existence of an elevated risk that the High Risk Component may fail, the Association may require action(s) be taken to reduce or eliminate the risk. Such actions may include, but are not limited to, (a) requiring an Owner to take specific remedial action, including repair or removal and replacement, at Owner's expense by no later than a specified date, or (b) taking action by the Association to implement remedial action and to charge the cost of that action as an Assessment against the Owner and the Unit.

ARTICLE 10. OWNERS ASSOCIATION

10.1 Form of Association.

The Owners of Units shall constitute an owners association to be known as Viking's Crest Owners Association. The Association shall be organized as a nonprofit Corporation. The number of Board members and the qualifications and procedures for election to the Board shall be provided in the Bylaws, except to the extent that these matters are addressed in this Declaration. The rights and duties of the Board and of the Association shall be governed by the provisions of the Condominium Act and the Governing Documents.

10.2 Bylaws.

Bylaws supplement the Declaration and provide for the administration of the Association and the Property in a manner consistent with the Condominium Act and the Declaration. The Bylaws may be amended by approval of a majority of the Allocated Interests in the Association. Approval can be given at a meeting of the Association, by action without a meeting (if the Bylaws provide for action without a meeting), by written consent, or by any combination of these methods for obtaining Owner approval.

10.3 Qualification and Transfer.

Each Owner, from becoming an Owner and until ceasing to own a Unit, is a Member of the Association. Association membership is appurtenant to the Unit which gives rise to the

membership. A transfer of title to a Unit automatically transfers the appurtenant membership to the new Owner. Membership shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon transfer of title to the Unit to which it is appurtenant and then only to the new Owner. If a Unit has been sold on contract, the contract purchaser shall exercise the rights of the Owner for purposes of the Association, this Declaration, and the Bylaws, except as hereinafter limited, and shall be the voting representative unless otherwise specified. A prohibited transfer, if made, is void.

10.4 Voting.

10.4.1. Number of Votes.The total voting power of all Owners shall be equal to the number of Units in the Condominium. The total number of votes available to the Owner or Owners of each Unit shall be equal to one vote for each Unit owned, as set forth in Schedule B.

10.4.2. One Voting Representative Per Unit.Each Unit shall have one (1) voting representative. An Owner may designate a Unit's voting representative by written notice to the Board. The voting representative need not be an Owner. This designation is revocable. It may be revoked by a party having an ownership interest in a Unit. It is revoked by so notifying the Board. The revocation is effective upon actual notice to the Board.

10.4.3. No Division Of A Vote.A Unit's vote (a) shall not be divided, and (b) shall be cast as a single vote. Joint Owners who cannot agree how to cast their Unit's vote on a matter are deemed to have forfeited the right to cast that vote on the matter in question.

10.4.4. Pledged Votes.If an Owner is in default under a first Mortgage on the Unit for ninety (90) consecutive days or more, the Mortgagee shall automatically be authorized to declare at any time thereafter that the Owner has pledged his vote on all issues to the Mortgagee during the continuance of the default. If the Board has been notified in writing of any such pledge to a Mortgagee, or in the event the Owner(s) has otherwise pledged his vote regarding special matters to a Mortgagee, only the vote of such Mortgagee will be recognized in regard to the special matters for which the vote is pledged, if a copy of the instrument with this pledge has been filed with the Board.

10.5 Notice of Any Association Meeting.

There shall be an annual meeting of the Owners. It shall be at a reasonable place and time as designated by the Board. A special meeting of the Association may be called as provided in the Bylaws. Written notice of any meeting of the Association shall be sent to all Owners not less than ten (10) nor more than sixty (60) days before the meeting. The notice shall state:

- (a) the time and place of the meeting;
- (b) the business to be voted on;
- (c) the general nature of any proposed adoption of, or amendment to, the Declaration, the Articles of Incorporation, the Bylaws, or the budget,

(d) the change, if any, in the Assessment obligation if the proposed action is approved, and

(e) if removal of a director(s) is proposed, the name(s) of the director(s) whose removal is sought.

10.6 Quorum.

Unless the Bylaws specify a larger percentage, a quorum is present throughout any meeting of the Association if the Owners of Units to which twenty-five percent (25%) of the votes of the Association are allocated are present in person or by proxy at the beginning of the meeting.

10.7 Powers of the Association.

The Association acts through (a) the Board and (b) any other Person(s) or entity to whom the Board has delegated authority to act. In addition to those actions authorized elsewhere in the Condominium Act or in the Declaration or Bylaws, the Board shall have authority to:

(a) Adopt and amend Bylaws, subject to, and in accordance with, procedures the Declaration and Bylaws establish;

(b) Adopt and amend Rules and Regulations which (i) are consistent with the purposes and provisions of the Declaration and (ii) further define and/or limit permissible activities within the Condominium; provided that Owners may repeal a Rule and Regulation by the affirmative vote of a majority of the total Allocated Interests in the Association voting at a special Owner's meeting called for that purpose, to repeal a Rule and Regulation;

(c) Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect Assessments for Common Expenses from Owners;

(d) Hire and discharge or contract with Managing Agents and other employees, agents, and independent contractors, including, for example, accountants, real estate firms, consultants, specialists, or such other Persons as may be reasonably necessary or convenient to assist the Association and the Board in the management and administration of the Association;

(e) Paint, landscape, maintain, repair and replace the Common Elements and acquire such furnishing and equipment for the Common Elements as the Board shall determine is necessary and proper;

(f) Enforce provisions of the (i) Declaration, (ii) Articles of Incorporation, (iii) Bylaws, and (iv) Rules and Regulations and to enforce Board decisions;

(g) Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two (2) or more Owners on matters affecting the Condominium and to incur legal fees and costs to so participate or defend, where the Board first determines such participation or defense to be in the best interests of the Association;

- (h) Make contracts and incur liabilities;
- (i) Regulate the use, maintenance, repair, replacement, and modification of Common Elements and Limited Common Elements;
- (j) Maintain and repair a Unit if (i) the Board determines the maintenance or repair is reasonably necessary to protect the Common Elements or the Condominium's appearance and value and (ii) the Owner, having been notified in writing that the maintenance or repair is necessary, has failed or refused to perform the maintenance or repair; provided that the Board shall specially assess the Owner for the cost of the maintenance or repair;
- (k) Arrange for and supervise any maintenance, repair or replacement of an existing improvement to the Condominium (including without limitation modifications to conform to applicable governmental rules and regulations or available means of construction) and any new addition or improvement to the Condominium (not including the maintenance, repair or replacement of an existing improvement), provided that, in the case of any new addition or improvement the cost of which is estimated to exceed twenty-five thousand dollars (\$25,000.00), the prior approval of that expenditures by Owners holding a majority of the total Allocated Interests in the Association shall be required;
- (l) Grant easements, Leases, licenses, and concessions through or over the Common Elements and petition for or consent to the vacation of streets and alleys, provided, however, that the Board shall not exercise such authority without first obtaining the affirmative vote of a majority of the total Allocated Interests at a meeting called for such purpose, or if no such meeting is held, then the affirmative written consent of a majority of the total Allocated Interests;
- (m) Purchase, acquire, hold, encumber, and convey in its own name any right, title, or interest in real or personal property;
- (n) Authorize the installation of utility or service lines that the Board deems to be in the best interest of the Association;
- (o) Impose and collect any payments, fees, or charges for the use, rental, or operation of the Common Elements and for services provided to Owners;
- (p) Acquire and pay for all goods and services reasonably necessary or convenient for the efficient and orderly functioning of the Condominium and the Association;
- (q) Impose and collect charges for late payment of Assessments;
- (r) Levy, impose and collect reasonable fines for violation of the Governing Documents, provided that the action is (i) taken in accordance with procedures adopted by the Board, (ii) taken only after Notice and an Opportunity to be Heard by the Board or the Person(s) designated by the Board, and (iii) taken pursuant to a schedule of fines which the Board previously established, adopted and furnished to Owners;

- (s) Impose and collect reasonable charges for the preparation and recording of amendments to this Declaration, resale certificates required by RCW 64.34.425, and statements of unpaid Assessments;
- (t) Provide for the indemnification of (i) the members of the Board, (ii) the officers, and (iii) any other Person or entity to whom the Board has delegated authority to act for the Association, and maintain directors' and officers' liability insurance;
- (u) Borrow funds on behalf of the Association. In order to secure repayment of such funds, the Board may assign its right to future income, including the right to receive Common Expense Assessments, to a Lender, and offer any of the Association's real or personal property as security for the Loan;
- (v) Provide or pay, as part of the Common Expenses, any necessary utility services including water, sewer, garbage, electrical, telephone, and gas, if any;
- (w) Pay to discharge a lien or encumbrance against all, or any part, of the Common Elements, provided that the Board shall specially assess any Owner responsible for the imposition of the lien or encumbrance the cost of discharging that lien or encumbrance;
- (x) Establish and administer a reserve account as described in RCW 64.34.380;
- (y) Prepare a Reserve Study as described in RCW 64.34.380;
- (z) Exercise any other powers conferred by this Declaration or the Bylaws;
- (aa) Exercise all other powers that may be exercised in this state by the same type of corporation as the Association; and
- (bb) Exercise any other powers necessary and proper for the governance and operation of the Association.

10.8 Financial Statements and Records.

10.8.1. The Association shall keep financial Records in accordance with generally accepted accounting principles and in sufficient detail to enable the Association to comply with the resale certificate requirements set forth in RCW 64.34.425.

10.8.2. At least annually, the Association shall prepare, or cause to be prepared, a financial statement of the Association in accordance with generally accepted accounting principles that shall be audited by a certified public accountant.

10.8.3. The annual financial statement shall be prepared by a certified public accountant who is not a member of the Board or an Owner.

10.8.4. The financial statement shall be completed in time for the Association's annual meeting and, in any event, within one hundred and twenty (120) days following the end of the fiscal year for which it is prepared. Any Mortgagee is entitled to receive the annual financial statement upon request. Upon written request of FHLMC, FNMA, HUD, or VA, if it is a

Mortgagee, the Association shall provide the financial statement of the Association for the preceding fiscal year, within a reasonable time.

10.8.5. The Board, or Owners having fifty-one percent (51%) of the voting power of the Association, may require that an audit of the Association and management books be presented at any special meeting.

10.8.6. An Owner or Mortgagee, at the Owner's or Mortgagee's expense, may conduct an audit of the Association and management books.

10.9 Inspection of Condominium Documents, Books and Records.

The Association shall make available to Owners, Owners' authorized agents, Mortgagees, and the agents or attorneys of any of them, current copies of the Governing Documents and the Records of the Association. "Available" means available for inspection upon request, during normal business hours or under other reasonable circumstances. The Association may require the requesting party to (a) pay a reasonable charge to cover copying costs and administrative fee incurred in connection with the request and (b) certify in writing that the information inspected shall only be used for a legitimate Association purpose.

ARTICLE 11. THE BOARD

11.1 Selection of the Board and Officers.

The Owners shall elect a Board of Directors of five (5) Persons, in accordance with the procedures the Bylaws establish, a majority of whom must be Unit Owners. The Bylaws shall establish the number of Board members and their terms of service. The Board shall elect officers. Unless the Bylaws establish a different process for removal of an Officer, following proper notice of a Board meeting, an Officer may be removed by majority vote of the Directors at the meeting. Notwithstanding any provision of the Bylaws to the contrary, the Owners, by a two-thirds vote of the voting power in the Association present and entitled to vote at any meeting of the Owners at which a quorum is present, may remove any member of the Board of Directors with or without cause.

11.2 Powers of the Board.

The Board shall at all times act on behalf of the Association. The Board may exercise all powers of the Association (including those set forth in Section 10.7) except as otherwise provided in the Condominium Act or the Governing Documents. In the performance of their duties, the officers and members of the Board are required to exercise ordinary and reasonable care. Duties requiring the exercise of such ordinary and reasonable care include, without limitation, the Board's exercise of discretion in making decisions relating to the preparation and updating of a Reserve Study, including decisions about whether a Reserve Study will be prepared or updated, and whether the assistance of a Reserve Study Professional will be utilized.

11.3 Limitations on Board Authority.

The Board shall not act on behalf of the Association to: (a) amend the Declaration in any manner that requires the vote or approval of the Unit Owners pursuant to Article 23; (b) terminate the Condominium pursuant to Article 24; (c) elect members of the Board; or (d) determine the qualifications, powers, and duties, or terms of office of Board members. The Board may, however, fill a Board vacancy in accordance with the Bylaws. The Board may, in accordance with the Bylaws, fill vacancies in its membership for the unexpired portion of any term.

11.4 Managing Agent.

The Board may contract with an experienced professional Managing Agent to assist the Board in managing and operating the Condominium and the Association. The Board may delegate such of its powers and duties to the Managing Agent as it deems to be appropriate, except as limited by the Condominium Act, the Declaration or the Bylaws. Any contract with a Managing Agent shall: (a) be written; (b) have a term no longer than one (1) year, which term can only be extended each subsequent year by specific Board action renewing the contract for another specific term; (c) have a term that provides that the contract is subject in all respects to the provisions of the Declaration; (d) be terminable by the Board without payment of a termination fee either (i) for cause or (ii) without cause on thirty (30) days' written notice; and (e) require that the Managing Agent have appropriate insurance coverage. In the event of a conflict between a provision of a contract with a Managing Agent and a provision of the Declaration, the Declaration shall prevail. If a contract with a Managing Agent does not contain the provisions required by this Section, these provisions will nevertheless be deemed to be part of the contract and shall be binding on the parties because they are stated in the Declaration.

11.5 Right to Notice and Opportunity to Be Heard.

Whenever this Declaration requires that an action be taken after "Notice and an Opportunity to be Heard," the following procedure applies:

11.5.1. The Person against whom the action is being taken shall be given written notice

- (a) of the action being taken,
- (b) of the Person's right to request in writing that the Person be given an opportunity to be heard on the matter,
- (c) that the action will be taken unless the Person makes timely written request for an opportunity to be heard on the matter, and
- (d) of the deadline by which a written request for an opportunity to be heard must be received, which deadline shall not be less than five (5) calendar days from the date the notice is delivered to the Person.

11.5.2. If the Person makes timely written request for an opportunity to be heard, then the Person shall be given written notice of the date, time and place of the meeting at which the

Person will be heard ("the Hearing"). The Hearing shall occur not less than five (5) days from the date the notice of the Hearing is delivered to the Person.

11.5.3. At the Hearing, the Person has the right to give testimony orally, in writing, or both, and to otherwise present evidence. The rules of procedure here described may be supplemented by duly adopted additional rules of procedure, established to promote a prompt and orderly resolution of the matter. If so adopted, and if provided to the Person before the Hearing, such additional rules will apply to the Hearing. The evidence received will be considered in making a decision.

11.5.4. The Person shall be notified of the decision in the same manner in which notice of the meeting was given.

ARTICLE 12. BUDGET AND ASSESSMENTS

12.1Fiscal Year.

The fiscal year is the calendar year, unless the Board adopts a different twelve (12) month period.

12.2Preparation of Budget.

Not less than thirty (30) days before the end of the fiscal year, the Board shall prepare a budget for the Association for the coming year. In preparing its budget, the Board shall estimate the Common Expenses of the Association to be paid during the year, make suitable provision for accumulation of reserves, including amounts reasonably anticipated to be required for maintenance, repair, and replacement of the Common Elements and the Limited Common Elements, and shall take into account any surplus or deficit carried over from the preceding year and any expected income to the Association.

12.3Ratification of Budget.

Within thirty (30) days after adoption of any proposed budget for the Condominium, the Board shall provide a summary of the budget to all the Owners which includes the information required by RCW 64.34.308(4) and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing of the summary. Unless at that meeting the Owners to which a majority of the votes in the Association are allocated reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board. A budget ratified as here provided may not be invalidated because of the Association's failure to comply with duties, imposed by the Governing Documents and by the Condominium Act, to prepare or revise a Reserve Study.

12.4 Supplemental Budget.

If during the year the budget proves to be inadequate for any reason, including nonpayment of any Owner's Assessment, the Board may prepare a supplemental budget for the remainder of the year. A supplemental budget that results in an increase in any Owner's Assessments must be ratified pursuant to Section 12.3.

12.5 Assessments for Common Expenses.

The amounts required by the Association for Common Expenses and Specially Allocated Expenses as reflected by the annual budget and any supplemental budgets shall be divided into installments to be paid each month over the period of time covered by the budget or supplemental budget. The monthly Assessment for each Unit is the product of the Common Expense Liability of that Unit times the total monthly installment for Common Expenses for all Units.

12.6 Special Assessments.

For those Common Expenses that cannot reasonably be calculated and paid on a monthly basis, the Board may levy a Special Assessment for such expenses against the Units, subject to ratification by the Owners pursuant to Section 12.3. For those Common Expenses incurred under Section 9.2, 14.2 or elsewhere in the Declaration, including legal fees and costs that are caused by the misconduct of an Owner, Tenant, Occupant, Related Party, guest, invitee, or pet of any Unit, the Association may, after Notice and an Opportunity to Be Heard, levy a Special Assessment for the expense against the Owner of that Unit.

12.7 Creation of Reserves; Assessments.

The Board shall create, fund and maintain reasonable reserves for contingencies, operations, maintenance and repair of Common Elements that will require major maintenance, repair or replacement by the Association within thirty (30) years. Such reserves shall be maintained in a minimum amount of not less than ten percent (10%) of the most recent annual Assessment. A reserve account shall be established in the name of the Association with a financial institution. The Board is responsible for administering the reserve account. The Association may withdraw funds from its reserve account to pay for unforeseen or unbudgeted costs that are unrelated to maintenance, repair, or replacement of the Reserve Components. The Board shall record any such withdrawal in the minute books of the Association, cause notice of any such withdrawal to be given to each Unit Owner, and adopt a repayment schedule not to exceed twenty-four (24) months, unless it determines that repayment within twenty-four (24) months would impose an unreasonable burden on the Unit Owners. Payment for major maintenance, repair, or replacement of the Reserve Components out of cycle with the Reserve Study projections or not included in the Reserve Study may be made from the reserve account without meeting the notification or repayment requirements under this Section 12.8. The operation of reserve accounts and Assessments for reserve accounts may be further governed by the Bylaws or Rules.

12.8 Notice of Assessments.

The Board shall notify each Owner in writing of the amount of the monthly general and Special Assessments to be paid for the Owner's Unit and shall furnish copies of all budgets and the Common Expense Liability allocations which apply to the Unit, on which the general and Special Assessments are based. The Board shall furnish the same information to an Owner's Mortgagee if so requested.

12.9 Payment of Monthly Assessments.

On or before the first (1st) day of each calendar month each Owner shall pay or cause to be paid to the treasurer or designated agent of the Association all Assessments against the Unit for that month. Any Assessment not paid by the fifteenth (15th) day of the calendar month for which it is due shall be delinquent and subject to late charges, interest, attorney's fees and collection procedures as provided in Article 13.

12.10 Proceeds Belong to Association.

All Assessments and other receipts received by the Association on behalf of the Condominium shall belong to the Association.

12.11 Failure to Assess.

Any failure by the Board or the Association to make the budgets and Assessments hereunder before the expiration of any fiscal year for the ensuing fiscal year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the Owners from the obligation to pay Assessments during that or any subsequent fiscal year, and the monthly Assessments amounts established for the preceding fiscal year shall continue until new Assessments are established.

12.12 Certificate of Unpaid Assessments.

Upon the request of any Owner or Mortgagee, the Board must furnish a certificate stating the amount, if any, of unpaid Assessments charged to the Unit. The certificate shall be conclusive upon the Board and the Association as to the amount of such indebtedness on the date of the certificate in favor of all purchasers and Mortgagees of the Unit who rely on the certificate in good faith. The Board may establish and charge a reasonable fee to reimburse it for the cost of preparing the certificate.

12.13 Recalculation of Assessments.

If Common Expense Liabilities are reallocated as the result of a Section 6.2 reallocation, Common Expense Assessments, Special Assessments, and any installments not yet due shall be recalculated in accordance with the reallocated liabilities.

ARTICLE 13. LIEN AND COLLECTION OF ASSESSMENTS

13.1 Assessment Liens and Priority.

13.1.1. Assessment Liens. The Association has a lien on a Unit for any unpaid Assessments levied against a Unit ("Assessment Lien"). The Assessment Lien automatically attaches to the Unit at the time the Assessment is due.

13.1.2. General Priority. An Assessment Lien is senior to all other liens and encumbrances on a Unit recorded after the date of the Original Declaration except as specifically noted in the following subsections.

13.1.3. Mortgage Priority. An Assessment Lien is junior to a Mortgage on a Unit recorded before the Assessment Lien attached to that Unit, EXCEPT as provided in RCW 64.34.364.

13.1.4. Special Priority over Mortgages. Assessment Liens for Common Expenses (or those portions of Assessment Liens which qualify under this subsection) may have special priority over otherwise senior Mortgages, subject to the rules set forth in RCW 64.34.364, and enumerated for convenience below (meaning that if any part of this subsection 13.1.4 conflicts with RCW 64.34.364, that statute shall control).

(a) **For Common Expenses Only.** The Assessment Lien (or qualifying portion of an Assessment Lien) must be for Common Expenses only, excluding any amounts for capital improvements, based on the periodic budgets adopted by the Association pursuant to Article 12.

(b) **Six Months Priority.** The Assessment Lien (or qualifying portion thereof) must have attached during the six (6) months immediately preceding the date of:

- (i) a sheriff's sale in an action for judicial foreclosure by either the Association or a Mortgagee,
- (ii) a trustee's sale in a nonjudicial foreclosure of a Mortgage, or
- (iii) recording of the declaration of forfeiture in a proceeding by the vendor under a real estate contract.

(c) **Three Months Reduction in Priority for Eligible Mortgagees.** The priority of Assessment Liens described above may be reduced under the following circumstances. Priority of Assessment Liens against Units that are encumbered by a Mortgage held by an Eligible Mortgagee, or by a Mortgagee which has given the Association a written request for a notice of delinquent Assessments, shall be reduced by up to three (3) months if, and to the extent that, the Assessment Lien attached after the Mortgagee became an Eligible Mortgagee or gave written notice and before the Association gave written notice of the delinquency to the Eligible Mortgagee or Mortgagee requesting notice.

13.1.5. Priority of Government Liens.Liens for real property taxes and other governmental assessments or charges against the Unit are senior to Assessment Liens.

13.1.6. Notice of Assessment Liens.Recording of this Declaration constitutes record notice and perfection of Assessment Liens. The Association may also choose to record a notice of claim of lien for Assessment Liens in the real property records of the county in which the Condominium is located. Such recording shall not constitute the written notice of delinquency to a Mortgagee referred to in subsection 13.1.4(c) above.

13.1.7. Homestead Exemption.Homestead protection under RCW 6.13.080 does not apply.

13.2 Lien May be Foreclosed; Judicial Foreclosure.

13.2.1. A lien arising under this Article may be enforced judicially by the Association or its authorized representative in the manner set forth in RCW 61.12, or nonjudicially in the manner set forth in Section 13.3. The Association or its authorized representative shall have the power to purchase the Unit at the Foreclosure sale and to acquire, hold, Lease, Mortgage, or convey it. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight (8) months. Nothing in this Article shall prohibit the Association from taking a deed in lieu of foreclosure.

13.2.2. Except as provided in the exception to (c) in Section 13.1.4, the holder of a Mortgage or other purchaser of a Unit who obtains the right of possession of a Unit through foreclosure shall not be liable for any Assessments or installments thereof that became due prior to such right of possession. Such unpaid Assessments shall be deemed to be Common Expenses collectible from all the Owners, including such Mortgagee or other purchaser of the Unit.

13.2.3. Foreclosure of a Mortgage does not relieve the prior Owner of personal liability for Assessments accruing against the Unit prior to the date of such sale.

13.3 Nonjudicial Foreclosure.

A lien arising under this Article may be foreclosed nonjudicially in the manner specified in RCW 61.24 for nonjudicial foreclosure deeds of trust. For the purpose of preserving the Association's nonjudicial foreclosure option, this Declaration shall be considered to create a grant of each Unit in trust to Stewart Title Company of Washington, Inc. or its successors or assigns ("Trustee"), to secure the obligations of each Owner ("Grantor") to the Association beneficiary for the payment of Assessments. The Grantor shall retain the right to possession of Grantor's Unit so long as Grantor is not in default of an obligation to pay Assessments. The Trustee shall have power of sale with respect to each Unit, which becomes operative in the case of a default in Grantor's obligation to pay Assessments. The Units are not used principally for agricultural or farming purposes. If the Association forecloses its lien nonjudicially according to

this Article, it will not be entitled to the lien priority over Mortgages described in exception (c) of Section 13.1.4.

13.4 Receiver During Foreclosure.

From the time of commencement of an action by the Association to foreclose a lien for nonpayment of delinquent Assessments against a Unit that is not occupied by its Owner, the Association shall be entitled to the appointment of a receiver to collect from the Tenant the rent for the Unit as and when due. If the rent is not paid, the receiver may obtain possession of the Unit, refurbish it for rental up to a reasonable standard for rental Units in this type of Condominium, Lease the Unit or permit others to Lease it, and apply the rents first to the cost of the receivership and attorney's fees, then to the cost of refurbishing the Unit, then to applicable charges, then to costs, fees, and charges of the Foreclosure action, and then to the payment of the delinquent Assessments. Only a receiver may take possession and collect rents under this Article, and a receiver shall not be appointed less than ninety (90) days after the delinquency. The exercise by the Association of the foregoing rights shall not affect the priority of preexisting liens on the Unit.

13.5 Assessments Are Personal Obligation.

In addition to constituting a lien on the Unit, all sums assessed by the Association chargeable to any Unit, including all charges provided in this Article, shall be the personal obligation of the Owner of the Unit when the Assessment is made. Suit to recover personal judgment for any delinquent Assessments shall be maintainable without foreclosing or waiving the liens securing them. A Unit Owner's duty to pay any Assessment shall not be excused by the Unit Owner's non-use of a Common Element, non-exercise of a Membership right, or by the Association's non-performance of any Association duty, including, without limitation, an Association failure to comply with any obligation with respect to creating and updating a Reserve Study.

13.6 Extinguishment of Lien and Personal Liability.

A lien for unpaid Assessments and the personal liability for payment of Assessments are extinguished unless proceedings to enforce the lien or collect the debt are instituted within three (3) years after the amount of the Assessments sought to be recovered becomes due.

13.7 Joint and Several Liability.

In addition to constituting a lien on the Unit, each Assessment shall be the joint and several obligation of the Owners of the Unit at the time the Assessment is due. In a voluntary Conveyance, the Grantee of a Unit shall be jointly and severally liable with the Grantor for all unpaid Assessments against the Grantor up to the time of the Grantor's Conveyance, without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee towards the Assessments. Suit to recover a personal judgment for any delinquent Assessment may be maintained in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.

13.8 Late Charges and Interest on Delinquent Assessments.

The Association may establish reasonable late charges. The Association may also establish a rate of interest to be charged on all delinquent Assessments. In the absence of another established non-usurious rate, delinquent Assessments shall bear interest at the maximum rate permitted under RCW 19.52.020. The Association may, in its sole discretion, waive some or all interest charged on a delinquent Assessment.

13.9 Recovery of Attorney's Fees and Costs.

The Association shall be entitled to recover any costs and reasonable attorney's fees incurred in connection with the collection of delinquent Assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the Association shall be entitled to recover costs and reasonable attorney's fees if it is the substantially prevailing party on appeal and in the enforcement of a judgment.

13.10 Security Deposit.

An Owner who has been delinquent in paying his monthly Assessments for three (3) of the five (5) preceding months may be required by the Board to make and maintain a security deposit not in excess of three (3) months' estimated monthly Assessments, which shall be collected and shall be subject to penalties for nonpayment as are other Assessments. The deposit shall be held in a separate fund, credited to that Owner, and may be resorted to at any time when such Owner is ten (10) or more days delinquent in paying Assessments.

13.11 Acceleration of Assessments.

In the event any Assessment becomes delinquent and remains so for more than sixty (60) days, the Board may, upon fifteen (15) days written notice to the Unit Owner, accelerate all remaining Assessment installments so that unpaid Assessments for the remainder of the fiscal year shall be due and payable at once.

13.12 Remedies Cumulative.

The remedies provided in Article 13 are cumulative. The Board may pursue them, and any other remedies which may be available under law or elsewhere in the Governing Documents, either concurrently or in any order.

ARTICLE 14. ENFORCEMENT

14.1 Strict Compliance.

Each Owner, Tenant, and Occupant of a Unit shall strictly comply with the provisions of the Governing Documents and with all decisions the Board arrives at in a manner provided in the Governing Documents ("Board Decisions"). The act of accepting a deed or other Conveyance or of entering into occupancy of a Unit operates (a) as an agreement by the recipient or Occupant that such Person accepts and ratifies all provisions of the Governing Documents and (b) as an acknowledgment that the Declaration and all amendments to it are covenants running with the land which bind any Person holding any legal interest in a Unit. Where the Board has, after Notice and an Opportunity to be Heard, determined that an Owner is not in compliance with an

obligation arising from the Governing Documents, the Board may suspend the Owner's exercise of rights arising from the Governing Documents (including but not limited to the right to vote and/or the right to use the pool and clubhouse) until the Owner has fulfilled such reasonable conditions as the Board may have imposed upon the restoration of such rights.

14.2 Liability for Damages and Misconduct.

An Owner is responsible for the conduct of its Tenant, Occupant, Related Party, guest, invitee, and pet. An Owner is liable to the Association for damage and expenses the Association incurs as the result of misconduct by the Owner, Tenant, Occupant, Related Party, family, guest, invitee or pet. The charges for repair or replacement of any damage to the Condominium, the Common Elements, the Limited Common Elements or any Unit in excess of actual insurance proceeds received by, or to be paid to, the Association under the Association's policies of insurance and the expenses the Association incurs as the result of any such misconduct shall (a) be specially assessed to the Unit, (b) be a lien upon the Unit, and (c) be a personal obligation of the Unit Owner and of the Tenant or Occupant who engaged in the misconduct.

14.3 Board Hearings.

14.3.1. The Board is authorized to investigate, hear and determine all complaints concerning violations of any Board Decision or of any provision of the Governing Documents by any Owner, Tenant, or other Occupant, and to order that compliance be restored.

14.3.2. The Board shall establish a fine schedule. The fine schedule shall be furnished to Owners. The Board is authorized, after Notice and Opportunity to be Heard according to Section 11.5 above, to levy fines against any Person found to be in violation of any Board Decision or of any provision of the Governing Documents. Fines shall be imposed based on the fine schedule most recently established and furnished to Owners. The Board may require the non-prevailing party in a Board hearing to reimburse the Association for its costs, including reasonable attorney's fees, in connection with the matter. Fines and costs shall constitute Assessments secured by a lien upon any Unit belonging to or occupied by the Person against whom they were assessed and shall be collectable in the manner provided in Article 13 for the collection of Assessments.

14.3.3. The authority set forth in Sections 14.3.1 and 14.3.2 above may be delegated by the Board, in its sole discretion, to another body or Person in a specific matter or in any category of matters, and the actions and decisions of such other body or Person shall have the same force and effect as though the Board itself had taken the action or made the decision.

14.4 Judicial Enforcement.

The Governing Documents and any Board decision made under authority conferred by the Governing Documents ("Board Decision") may be judicially enforced. Judicial enforcement includes declaratory relief, injunctive relief, award of damages, and any other legal or equitable remedy available to enforce a right or to remedy a wrong. Injunctive relief shall be available without a showing of irreparable harm or of the absence of a remedy at law. An enforcement

action may be brought by the Association. The Board may, in its sole discretion, exercise its business judgment to determine what actions, if any, it will take to judicially enforce the Governing Documents and a Board Decision. An Owner may bring an enforcement action if, after demand by the Owner, the Board fails or declines to bring the action. The prevailing party in an enforcement action shall be awarded its costs including reasonable attorney's fees.

14.5 Enforcement Against Tenants.

14.5.1. A Tenant, Occupant or a Related Party who, after Notice and an Opportunity to be Heard, does not comply with a Board Decision or the Governing Documents, may be evicted.

14.5.2. The Board shall notify the Owner, describe the violation and demand it be remedied within ten (10) days. If the violation has not been remedied within the ten (10) days, the Owner shall immediately commence eviction proceedings.

14.5.3. If evicting a Tenant, the Owner shall do so through diligent prosecution of an unlawful detainer action. If evicting an Occupant or Related Party, the Owner shall give notice terminating the tenancy-at-will and give the Occupant or Related Party thirty (30) days to permanently vacate the Unit, after which time any entry by the Occupant or Related Party into the Unit or on to the Property shall be a trespass.

14.5.4. If the Owner fails to commence eviction proceedings within ten (10) days of becoming obligated by this Article to evict, then the Board shall have the right, but not the duty, to evict the Tenant, Occupant or Related Party as the Owner's attorney-in-fact. All Owners hereby irrevocably appoint the Association as their attorney-in-fact for purposes of performing evictions described in this Article.

14.5.5. Eviction by the Board shall be at the Owner's expense, including all attorney's fees actually incurred. The costs of the action, including attorney's fees, shall be a personal obligation of the Owner and of the Tenant, Occupant or Related Party and shall also be an Assessment secured by a lien on the Unit. These costs may be collected as provided in Article 13.

14.6 Recovery of Attorney's Fees and Costs.

In addition to any attorney's fees and costs recoverable in an action brought under Article 13 or awarded by the Board as provided in Section 14.3, the Association shall be entitled to recover any costs and reasonable attorney's fees incurred in connection with the enforcement of any provision in the Governing Documents or any Board Decision, whether or not the enforcement activities result in suit being commenced or prosecuted to judgment or a hearing before the Board being held. In addition, the prevailing party shall be entitled to recover costs and reasonable attorney's fees on appeal and in the enforcement of a judgment, whether in the State of Washington or a sister state. All such costs and attorney's fees shall constitute an Assessment.

14.7 Failure of Board to Insist on Strict Performance No Waiver.

14.7.1. The Board or Managing Agent shall exercise its business judgment in determining what actions to take, if any, when enforcing the Governing Documents and enforcing a Board Decision.

14.7.2. The failure of the Board, Managing Agent or Owner, in any one or more instances, to insist upon the strict performance of any of the terms, covenants, conditions or restrictions of the Governing Documents, or to exercise any right or option contained in the Governing Documents, or to serve any notice or to institute any action, shall not operate as a waiver or relinquishment for the future of that term, covenant, condition or restriction. There shall be no waiver of any provision of the Governing Documents by the Board unless the Board expressly makes such a waiver, in writing and signed by the appropriate officers on behalf of the Board.

14.7.3. Receipt of any Assessment payment from an Owner by the Board or Managing Agent, with knowledge of any breach of the Governing Documents, shall not be deemed a waiver of that breach.

14.8 Remedies Cumulative.

The remedies provided in Article 14 are cumulative. The Board may pursue them, and any other remedies which may be available under law or elsewhere in the Governing Documents, concurrently, separately, or in any order.

ARTICLE 15. ALTERNATIVE DISPUTE RESOLUTION

15.1 Mandatory Mediation.

The Association's interests are best served by increasing the likelihood that disputes are resolved without the emotional and financial toll exacted upon Association Members by litigation. To that end, and with the exception of the claims listed below, claims between Owners or between an Owner(s) and the Association which involve the Governing Documents must be submitted to mediation before any party may pursue the claim through court proceedings. Notwithstanding this mandatory mediation requirement, the Board may decline to participate in a mediation where it determines in good faith that its participation in the mediation is not reasonably likely to produce a resolution of the dispute that serves the best interests of the Association.

15.1.1. The following categories of claims are exempt from this pre-litigation mediation requirement:

- (a) A claim in which the statute of limitations will soon expire;
- (b) A claim for injunctive or other forms of equitable relief;
- (c) A claim for declaratory judgment;

- (d) A claim for collection of an Assessment or Foreclosure of a lien;
- (e) A claim for defects in construction or improvement of any part of the Property;
- (f) A claim that involves a party or parties who are not subject to the Governing Documents;
- (g) A claim between Association members where the claims are not related to the Governing Documents; and
- (h) A claim or issue that has, within the preceding twelve (12) months, been the subject of a previous mediation Request, Response, Reply or mediation conference between the parties.

15.1.2. Unless the parties to a mediation agree in writing to something different with respect to any part of the process described here, this process shall govern:

(a) The party requesting mediation ("Requestor") must submit a request for mediation ("Request") to the other parties ("Recipient(s)"). The Recipient(s) must then timely submit a "Response." The Requestor must then timely submit a "Reply." The Request, Response and Reply:

- (i) Can be delivered in any form (writing, email, fax, etc.), provided that the sender can prove it was received by the Person to whom it was sent;
- (ii) Must state the issue(s) the sender wants to mediate; and
- (iii) Must either certify that the sender is willing to participate in mediation of all identified issues in good faith or state that the sender declines to participate in mediation.

(b) The following deadlines apply:

- (i) The mediation shall occur no later than ninety (90) days from the date the Recipient(s) receives the Request;
- (ii) The Response shall be received by the Requestor no later than thirty (30) days from the date the Recipient received the Request; and
- (iii) The Reply shall be received by the Recipient no later than fifteen (15) days from the date the Requestor received the Response.

(c) Absent agreement of the parties to some other mediator or mediation service, the mediation shall be conducted by the Dispute Resolution Center of Kitsap County. The mediator may, but need not be, an attorney or judge. The mediator's primary function is to assist the parties in communicating with one another and to find ways to

resolve the disputed issues by agreement.

(d) The fees and costs of mediation shall be shared equally by all parties to the mediation. If the mediator requires pre-payment of all or a portion of the anticipated fees and costs, all parties to the mediation must comply with that requirement.

15.1.3. While this Article 15 promotes using mediation before a party may bring a lawsuit to resolve a dispute, a party's refusal to take part in mediation before a lawsuit is brought may sometimes be justified. A court is capable of determining whether or not a party's refusal to take part in mediation before the lawsuit was brought was justified. Upon a motion by the party seeking mediation, the court is authorized to:

(a) Enter an order compelling the parties to participate in mediation if the Court determines that mediation would be productive or useful; and

(b) Impose appropriate remedies for a party's unjustified failure to mediate claims that are subject to the mandatory mediation requirements imposed by this Article 15, including, without limitation, requiring that party to (i) pay all mediation fees and costs charged by the mediator, (ii) reimburse the other party for the costs of filing suit, (iii) reimburse the other party for process service costs, and (iv) reimburse the other party for some or all of that party's attorneys fees and costs.

ARTICLE 16. TORT AND CONTRACT LIABILITY

16.1 Limitation of Liability for Utility Failure, etc.

Except to the extent covered by insurance obtained by the Board, neither the Association, the Board, nor the Managing Agent shall be liable for: (a) the failure of any utility or other service to be obtained and paid for by the Board; (b) injury or damage to Person or property caused by the elements, or resulting from electricity, water, rain, dust, or sand which may leak or flow from outside or from any parts of the building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place; (c) loss or damage, by theft or otherwise, of articles kept or stored in any Common Element, Limited Common Element or Unit; or (d) inconvenience or discomfort resulting from any action taken to comply with any law, ordinance, or orders of a governmental authority. No diminution or abatement of Assessments shall be claimed or allowed for any such utility or service failure, or for such injury, loss or damage, or for such inconvenience or discomfort.

16.2 No Personal Liability.

So long as a Board member, Association committee member, Association officer, or the Managing Agent has acted in good faith, without willful or intentional misconduct, upon the basis of such information as is then possessed by such Person, no such Person shall be personally liable to any Owner, or to any other Person, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of such

Person; provided that this Article shall not apply where the consequences of such act, omission, error, or negligence is covered by insurance obtained by the Board. In addition, monetary damages or any other liability may not be awarded against or imposed upon the Association, the officers, the Board, or those Persons who may have provided advice or assistance to the Association or its officers or directors, for failure to (a) establish a reserve account, (b) have a current Reserve Study prepared or updated as required by the Governing Documents and the Condominium Act, or (c) make the reserve disclosures in accordance with the requirements of the Governing Documents and the Condominium Act.

ARTICLE 17. INDEMNIFICATION

Each Board member, Association committee member, Association officer, and the Managing Agent shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed in connection with any proceeding to which such Person may be a party, or in which such Person may become involved, by reason of holding or having held such position, or any settlement of such a proceeding. This indemnification shall be effective whether or not that Person holds the position at the time such expenses or liabilities are incurred, except to the extent such expenses and liabilities are covered by any type of insurance, and except in cases where such Person is found guilty of willful misfeasance in the performance of such Person's duties. In the event of any settlement, the indemnification shall apply only when the Board approves the settlement and reimbursement as being in the best interests of the Association.

ARTICLE 18. INSURANCE

18.1 General Requirements.

18.1.1. The Association shall maintain, to the extent reasonably available, a policy or policies and bonds necessary to provide (a) property insurance; (b) commercial general liability insurance; (c) fidelity insurance; (d) worker's compensation insurance to the extent required by applicable laws; (e) directors and officers liability insurance; and (f) such other insurance as the Board, in the exercise of its discretion and business judgment, deems advisable. Factors the Board may consider in exercising its discretion and business judgment with respect to making decisions about obtaining such other insurance include, but are not limited to, (a) the cost of obtaining and maintaining the insurance, (b) the relative risk that damage covered by such insurance will be incurred during the period covered by the insurance, (c) the relative benefit to the Association from obtaining and maintaining such insurance, and (d) the availability of alternative means of funding repairs that such insurance would fund.

18.1.2. The Board shall review at least annually the adequacy of the Association's insurance coverage.

18.1.3. All insurance shall be obtained from insurance carriers that are generally acceptable for similar projects, authorized to do business in the state of Washington, and meet

the specific requirements of FNMA, HUD, FHLMC and VA regarding the qualifications of insurance carriers.

18.1.4. Notwithstanding any other provisions herein, the Association shall continuously maintain in effect property, liability and fidelity insurance that meet the insurance requirements for condominium projects established by FNMA, HUD, FHLMC, and VA so long as any of them is a holder of a Mortgage or Owner of a Unit, except to the extent such coverage is not available or has been waived in writing by them.

18.1.5. All such insurance policies shall provide that coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days' prior written notice to any and all insureds named therein, including Owners, Mortgagees, and designated servicers of Mortgagees.

18.2 Property Insurance.

The property insurance, at the minimum, shall provide all risk or special cause of loss coverage in an amount equal to the full Replacement Cost of the Common Elements, the Limited Common Elements, the Units and the equipment, fixtures, Improvements and Betterments in the Units, and personal property of the Association with an "Agreed Amount Endorsement" and, if required by FNMA or FHLMC, construction code endorsements, such as a "Demolition Cost Endorsement" a "Contingent Liability from Operation of Building Laws Endorsement," an "Increased Cost of Construction Endorsement," and such other endorsements as FNMA or FHLMC deems necessary and are available. The policy shall provide a separate loss payable endorsement in favor of the Mortgagee of each Unit. The Association or insurance trustee, if any, shall hold insurance proceeds in trust for the Owners and their Mortgagee, as their interests may appear. Each Owner and the Owner's Mortgagee, if any, shall be beneficiaries of the policy in accordance with the interest in the Common Elements appertaining to the Owner's Unit. Certificates of insurance shall be issued to each Owner and Mortgagee upon request. Each Owner shall promptly advise the Association in writing of any Improvements and Betterments intended as a permanent part of the Unit costing more than ten thousand dollars (\$10,000.00).

18.3 Commercial General Liability Insurance.

The liability insurance coverage shall insure the Board, the Association, the Owners, and the Managing Agent, and cover all of the Common Elements in the Condominium with a "Severability of Interest Endorsement" or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or of another Owner, and shall cover liability of the insured's for property damage and bodily injury and death of Persons arising out of the operation, maintenance, and use of the Common Elements, host liquor liability, employers' liability insurance, automobile liability insurance, and such other risks as are customarily covered with respect to residential condominium projects of similar construction, location and use. The limits of liability shall be in amounts generally required by Mortgagees for projects of similar construction, location and use but shall be at least

one million dollars (\$1,000,000.00) combined single limit for bodily injury and property damage per occurrence and two million dollars (\$2,000,000.00) general aggregate.

18.4 Insurance Trustee; Power of Attorney.

The named insured under the policies referred to in Sections 18.2 and 18.3 shall be the Association, as trustee for each of the Owners in accordance with their respective interests in the Common Elements. The insurance proceeds may be made payable to any trustee with which the Association enters into an insurance trust agreement, or any successor trustee, who shall have exclusive authority to negotiate losses under the policies. Subject to the provisions of Section 18.8, the proceeds must be disbursed first for the repair or restoration of the damaged property, and Owners and lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored or the Condominium is terminated. Each Owner appoints the Association, or any insurance trustee or successor trustee designated by the Association, as "attorney in fact" for the purpose of purchasing and maintaining such insurance, including the collection and appropriate disposition of the proceeds thereof the negotiation of losses and execution of releases of liability, the execution of all documents and the performance of **all** other acts necessary to accomplish such purposes.

18.5 Additional Policy Provisions.

The insurance obtained pursuant to Sections 18.2 and 18.3 shall contain the following provisions and limitations:

18.5.1. Each Owner is an insured Person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association.

18.5.2. Such policies shall not provide for contribution by or Assessment against Mortgagees or become a lien on the property superior to the lien of a first Mortgage.

18.5.3. If, at the time of the loss under the policy, there is other insurance in the name of the Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

18.5.4. Coverage shall not be prejudiced by (a) any act, omission or neglect of the Owners when such act or neglect is not within the scope of the Owner's authority to act on behalf of the Association, or (b) failure of the Association to comply with any warranty or condition with regard to any portion of the premises over which the Association has no control.

18.5.5. The policy shall contain a waiver of subrogation by the insurer as to any and all claims against the Association, any Owner, and/or their respective agents, Related Parties, employees, or Tenants, and of any defenses based upon co-insurance or upon invalidity arising from the acts of the insured.

18.5.6. The policy shall contain a standard mortgagee clause which shall:

(a) Provide that any reference to a Mortgagee in the policy shall mean and include all Mortgagees of any Unit in their respective order of preference, whether or not named therein;

(b) Provide that such insurance as to the interest of any Mortgagee shall not be invalidated by any act or neglect of the Board or Owners or any Persons under any of them;

(c) Waive any provision invalidating such mortgage clause by reason of the failure of any Mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that the Mortgagee pay any premium thereon, and any contribution clause; and

(d) Provide that, without affecting any protection afforded by such mortgage clause, any proceeds payable under such policy shall be payable to the Association or the insurance trustee.

18.6 Fidelity Insurance.

The required fidelity insurance shall afford coverage to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association and all other Persons who handle or are responsible for handling funds of, or administered by, the Association. The Managing Agent shall maintain fidelity insurance for its officers, employees, and agents who handle or who are responsible for handling funds of, or funds administered by the Association. All such fidelity insurance shall name the Association as an obligee and shall be not less than the estimated maximum of funds, including reserve funds, in custody of the Association at any time during the term of each policy, but, in no event, shall the aggregate amount of insurance be less than three (3) months' aggregate Assessments. The policy shall contain waivers of any defense based upon the exclusion of Persons who serve without compensation from any definition of "employees" or similar expression.

18.7 Owner's Responsibility For Certain Repair Costs.

18.7.1. Except as limited by Section 18.7.3 below, where damage is limited solely to a Unit and/or a Limited Common Element an Owner is obligated by Section 8.4 of the Declaration to maintain and repair, the Owner shall be responsible to pay for the loss up to the amount of the Property Insurance deductible of the Association's master insurance policy and to also pay for all damage not covered by the Association's master insurance policy.

18.7.2. Except as limited by Section 18.7.3 below, where damage involves both (i) the Common Element and (ii) one or more Unit(s) and/or the Limited Common Element(s) or other portion of a Common Element that an Owner(s) is obligated by Section 8.4 of the Declaration to maintain and repair, responsibility to pay for damage up to the amount of the Property Insurance deductible of the Association's master insurance policy and to pay for damage not covered by the Association's master insurance policy shall be pro-rated among the Owners of the affected Units and the Association according to their relative repair costs.

18.7.3. Notwithstanding Sections 18.7.1 and 18.7.2 above, where the damage results from the negligent or intentional act(s) or omission(s) of an Owner or an Associated Person of the Owner, or results from the failure to maintain or a failure of any portion of the Condominium that the Owner is responsible to maintain in good working order or condition, the Owner whose direct (or indirect) action or inaction was a cause of the damage, or who was responsible to maintain the portion of the Condominium that failed, shall be responsible to pay for the damage up to the amount of the Property Insurance deductible of the Association's master insurance policy and shall be responsible to pay for damage not covered by the Association's master insurance policy. "Associated Person" as used in this Section means any Person who is present on the Property because of the Person's relationship with the Owner. "Direct action or inaction" as used in this Section means the action or inaction of an Associated Person. "Shall be responsible to pay" as used in this Section means that, regardless of who initially pays for the repair of the damage, the cost of such repairs shall ultimately be borne by the Owner who, under this Section, is deemed to be responsible to pay for the damage.

18.7.4. Owners are, by this Article, informed of the payment obligations described in Section 18.7 of the Declaration and are required to maintain individual Unit Owner insurance as a possible source for meeting such payment obligations. This requirement applies to a Unit Owner whether or not the Unit Owner occupies the Unit. Each Owner shall carry personal liability insurance and property damage liability insurance with respect to his or her Unit with limits not less than three hundred thousand dollars (\$300,000.00) for personal liability and shall carry coverage for Unit Improvements and Betterments, fixtures and equipment. Any Owner policy shall name the Association as an additional insured and shall include a waiver of subrogation clause acceptable to the Board and to any First Mortgagee. The Association may, but is not required to, request proof of insurance from Owners and, in the event an Owner fails to provide sufficient proof of insurance to the Association, the Association may, but is not required to, obtain the insurance on the Owner's behalf and assess that Unit Owner for the premium.

18.7.5. In exercising rights to recover payment under Section 18.7, the Board may, after Notice and an Opportunity to be Heard, assess the amount against the responsible Owner(s).

18.8 Use of Insurance Proceeds.

18.8.1. Any portion of the Condominium for which insurance is required under this Article which is damaged or destroyed shall be repaired or replaced promptly by the Association pursuant to Article 19 unless: (a) the Condominium is terminated; (b) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or (c) eighty percent (80%) of the Owners, including every Owner of a Unit or Limited Common Element which will not be rebuilt, vote not to rebuild. Notwithstanding Sections 18.7.1 and 18.7.2 above, and except as otherwise provided in Section 18.7.3 above, the cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense.

18.8.2. If all of the damaged or destroyed portions of the Condominium are not repaired or replaced: (a) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium; (b) the insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt shall be distributed to the Owners of those Units and the Owners of the Units to which those Limited Common Elements were allocated, or to lien holders, as their interests may appear; and (c) the remainder of the proceeds shall be distributed to all the Owners or lien holders, as their interests may appear, in proportion to the percentage of undivided interest appertaining to the Owner's Unit.

18.8.3. if the Owners vote not to rebuild any Unit, that Unit's Allocated Interests are automatically reallocated upon the vote as if the Unit had been condemned under Article 20, and the Association promptly shall prepare, execute, and record an amendment to this Declaration reflecting the reallocations.

18.8.4. Notwithstanding the provisions of this Article, Article 24 governs the distribution of insurance proceeds if the Condominium is terminated.

ARTICLE 19. SIGNIFICANT DAMAGE AND REPAIR

19.1 Definitions: Significant Damage, Repair, Emergency Work.

19.1.1. "Significant Damage" means damage or destruction, whether or not caused by casualty, to any part of the Property which the Board is responsible to maintain or Repair: (a) for which funds are not available in the maintenance and Repair or contingency budget of the Association to make timely Repairs; and (b) which has a significant adverse impact on the habitability of any Unit or the ability of any Owners to use the Property or any significant portion of the Property for its intended purpose.

19.1.2. "Repair" means restoring the improvements to substantially the condition they were in before they were damaged with each Unit and the Common Elements having substantially the same boundaries as before. Modifications to conform to applicable governmental rules and regulations or available means of construction may be made.

19.1.3. "Emergency Work" shall mean work that the Board deems reasonably necessary to avoid further damage or substantial diminution in value to the improvements and to protect the Owners from liability from the condition of the site.

19.2 Initial Board Determination.

In the event of Significant Damage to any part of the Condominium, the Board shall promptly, and in all events within sixty (60) days after the date of damage (or, if the Significant Damage did not occur at a particular identifiable time, after the date of its discovery), make the following determinations, employing such advice as the Board deems helpful:

- (a) The nature and extent of the Significant Damage, together with an inventory of the improvements and property directly affected it;
- (b) A reasonably reliable estimate of the cost to Repair the Significant Damage, which estimate shall, if reasonably practicable, be based upon two (2) or more firm bids obtained from responsible contractors;
- (c) The expected insurance proceeds, if any, to be available from insurance covering the loss based on the amount paid or initially offered by the insurer;
- (d) The amount of the deductible to be paid by an Owner with respect to damage or loss within the Owner's Unit or to the building in which the Owner's Unit is located;
- (e) The amount of the available reserves or other Association funds, although the Board is not required to use any reserves or other Association funds;
- (f) The amount, if any, by which the estimated cost of Repair exceeds the portion of the deductible to be paid by a Owner or Owners, expected insurance proceeds, and available reserves or other Association funds, and the amount of the Assessments that would have to be made against each Unit if the excess cost were to be paid as a Common Expense and assessed against all the Units in proportion to their Common Expense Liabilities; and
- (g) The Board's recommendation whether the damage should be Repaired.

19.3 Notice of Damage.

19.3.1. The Board shall provide each Owner with a written notice, not later than sixty (60) days after the date of Significant Damage (or after the date of discovery of the Significant Damage), describing the damage and summarizing the initial Board determinations made under Section 19.2. If the damage affects a material portion of the Condominium, the Board shall also send the notice to each Mortgagee; and if the damage affects a Unit, the Board shall send the notice to the Mortgagee of that Unit.

19.3.2. The Board shall promptly comply with all requirements of any applicable insurance policies, including, without limitation, filing a proof of loss statement with the insurance company, if any, which covers the loss, unless the Board determines it would not be in the best interest of the Association to file a proof of loss. If the Board fails to file a proof of loss within the sixty (60) day period, any Owner or Mortgagee may make the determinations required under Section 19.2 and give the notice required under this Article, after first making written demand upon the Board that it carry out its responsibility under this Article.

19.4 General Provisions.

19.4.1. Duty to Restore. Any portion of the Condominium for which insurance is required under this Article that is Significantly Damaged shall be Repaired promptly by the Association unless: (a) the Condominium is terminated; (b) Repair would be illegal under any state or local health or safety statute or ordinance; or (c) eighty percent (80%) of the Owners, including every Owner of a Unit or the Owners of the Units to which those Limited Common

Elements were allocated which will not be Repaired, vote not to Repair. Even if the Significant Damage is not to be Repaired, the Board shall still have the authority to perform Emergency Work. The cost of Repair in excess of insurance proceeds and reserves is a Common Expense, except as otherwise set forth in this Declaration.

19.4.2. Damage Not Restored. If all or any portion of the damaged portions of the Condominium are not Repaired (regardless of whether such damage is Significant): (a) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium; (b) the insurance proceeds attributable to Units and Limited Common Elements which are not Repaired shall be distributed to the Owners of those Units and the Owners of the Units to which those Limited Common Elements were allocated, or to all the Unit Owners or Lienholders, as their interests may appear, in proportion to the Common Element interests of all the Units.

19.4.3. Reallocation. If the Owners vote not to Repair any Unit, that Unit's Allocated Interests are automatically reallocated upon the vote as if the Unit had been condemned under the Declaration reflecting the reallocations.

19.5 Restoration By the Board.

If the damage (regardless of whether such damage is Significant) is to be Repaired pursuant to Section 19.4 then:

19.5.1. Contract and Contractors. The Board shall have the authority to employ architects and attorneys, advertise for bids, let contracts to contractors and others, and to take such other action as is reasonably necessary to perform the Repair and restoration. Contracts for Repair and restoration shall be awarded when the Board, by means of insurance proceeds and sufficient Assessments, can afford to fund them. The Board may further authorize the insurance carrier to proceed with Repair upon satisfaction of the Board that the work will be appropriately carried out, if that authorization does not contravene any insurance trust agreement or requirement of law.

19.5.2. Insurance Trustee. The Board may enter into a written agreement with a reputable financial institution, trust, or escrow company to act as an insurance trustee to adjust and settle any claim for casualty loss in excess of fifty thousand dollars (\$50,000.00), or to collect the insurance proceeds and carry out the provisions of this Article.

19.6 Procedure for Repair Vote.

19.6.1. The Board shall promptly, and no later than sixty (60) days after the date of the Significant Damage occurs or is discovered, call a special Owners' meeting to consider Repairing the damage. If the Board fails to do so within the sixty (60) day period, then notwithstanding the provisions of the Bylaws, any Owner or first Mortgagee of a Unit may call and conduct the meeting after first making written demand to the Board that it do so.

19.6.2. Except for Emergency Work, no Repairs shall be commenced until the conclusion of the special Owners' meeting.

19.6.3. At the special meeting, the following consent requirements will apply:

(a) The Owners shall be deemed to have elected to Repair the damage in accordance with the original plan unless the Owners of at least eighty percent (80%) of the total voting power of the Condominium, including every Owner of a Unit which will not be rebuilt and every Owner of a Unit to which a Limited Common Element which will not be rebuilt is allocated, have given their written consent not to Repair the damage.

(b) The unanimous consent of all Owners will be required to elect to rebuild in accordance with a plan that is different from the original plan.

(c) In addition to the consent by the Owners specified above, any election not to Repair the damage or not to rebuild substantially in accordance with the original plan will require the approval of eligible holders of first Mortgages on Units that have at least fifty-one percent (51%) of the votes subject to eligible holder Mortgages.

(d) Failure to conduct the special meeting provided for under Section 19.6.1 within ninety (90) days after the date of damage shall be deemed a unanimous decision to Repair the damage in accordance with the original plan.

19.7 Effect of Decision Not to Repair.

In the event of a decision under this Article not to Repair the Significant Damage, the Board may nevertheless expend so much of the insurance proceeds and common funds as it deems reasonably necessary for Emergency Work (which Emergency Work may include, but is not necessarily limited to, removal of the damaged improvements and clearing, filling, and grading the land), and the remaining funds, if any, and the proceeds shall thereafter be held and distributed as provided in Section 18.8.

ARTICLE 20. CONDEMNATION

20.1 Consequences of Condemnation; Notices.

If any Unit, portion of a Unit, the Common Elements, Limited Common Elements, or any portion of the Limited Common Elements is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, notice of the proceeding or proposed acquisition shall promptly be given to each Owner and to each holder of a first Mortgage and the provisions of this Article shall apply.

20.2 Power of Attorney.

Each Owner appoints the Association as attorney-in-fact for the purpose of representing the Owners in condemnation proceedings, negotiations, settlements and agreements with the condemning authority for acquisition of any part or all of the Common Elements by the condemning authority. The Board may appoint a trustee to act on behalf of the Owners in carrying out the foregoing functions in lieu of the Association. Should the Association not act,

based on their right to act pursuant to this Article, the affected Owners may individually or jointly act on their own behalf.

20.3 Condemnation of a Unit.

If a Unit is acquired by condemnation, or if part of a Unit is acquired by condemnation leaving the Owner with a remnant of a Unit which may not practically or lawfully be used for any purpose permitted by this Declaration, the award must compensate the Owner for the Owner's Unit and its appurtenant interest in the Common Elements, whether or not any Common Elements are acquired. The proceeds from the condemnation of a Unit shall be paid to the Owner or lien holder of the Unit as their interests may appear. Upon acquisition, unless the decree otherwise provides, that Unit's Allocated Interests are automatically reallocated to the remaining Units in proportion to the respective Allocated Interests of those Units before the taking, and the Association shall promptly prepare, execute, and record an amendment to this Declaration reflecting the reallocations. Any remnant of a Unit remaining after part of a Unit is taken under this Section 20.3 is thereafter a Common Element.

20.4 Condemnation of Part of a Unit.

Except as provided in Section 20.3, if part of a Unit is acquired by condemnation, the award must compensate the Owner for the reduction in value of the Unit and its appurtenant interest in the Common Elements, whether or not any Common Elements are acquired. The proceeds from the condemnation awarded to the Owner shall be paid to the Owner or lien holders of the Unit, as their interests may appear. Upon acquisition, unless the decree otherwise provides: (a) that Unit's Allocated Interests are reduced in proportion to the reduction in the size of the Unit; and (b) the portion of the Allocated Interests divested from the partially acquired Unit is automatically reallocated to that Unit and the remaining Units in proportion to the respective Allocated Interests of those Units before the taking, with the partially acquired Unit participating in the reallocation on the basis of its reduced Allocated Interests.

20.5 Condemnation of Common or Limited Common Elements.

If part of the Common Elements is acquired by condemnation the portion of the award attributable to the Common Elements taken shall be paid to the Owners based on their respective interests in the Common Elements. Any portion of the award attributable to the acquisition of a Limited Common Element must be equally divided among the Owners of the Units to which that Limited Common Element was allocated at the time of the acquisition. If the Board determines that a particular Owner's interest in the Common Elements is diminished with respect to other Owners, by the acquisition of a Common Element, the Declaration may be amended to adjust that Owner's Common Expense Liability allocation, or to remove the allocation of a Limited Common Element to that Owner's Unit, as the case may be.

20.6 Reconstruction and Repair.

Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Article 19.

ARTICLE 21. EASEMENTS

21.1 In General.

Each Unit has an easement in and through each other Unit and the Common and Limited Common Elements for all support elements and utility, wiring, heat, and service elements, and for reasonable access as required to effectuate and continue proper operation of the Condominium.

21.2 Easements to Carry out Article 9.

The Association and its agents or employees have an easement to enter any Unit or Limited Common Element for the purpose of carrying out the tasks set forth in Section 9.1.1.

21.3 Encroachments.

To the extent not provided by the definition of "Unit" in the Declaration and in the Condominium Act, each Unit, all Common Elements and Limited Common Elements are hereby declared to have an easement over all adjoining Units, Common Elements and Limited 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 and Limited 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; provided, however, that in no event shall a valid easement for encroachment be created in favor of a Unit if the encroachment was caused by the unauthorized action of an Owner or Occupant. The encroachments described in this Article shall not be construed to be encumbrances affecting the marketability of title to any Unit.

ARTICLE 22. SUBDIVIDING OR ALTERING UNITS

22.1 Submission of Proposal to Subdivide Unit.

No Unit may be subdivided, either by agreement or legal proceedings, except as provided in this Article. An Owner may propose subdividing a Unit by submitting the proposal in writing to the Board and to all other Owners and Mortgagees of the Unit to be subdivided or combined. Such proposal to subdivide must also be given to every first Mortgagee of any Unit in the Condominium. The proposal must include complete plans and specifications for accomplishing the subdivision and proposed amendments of this Declaration and the Survey Map and Plans which amendments shall be executed by the Owner of the Unit to be subdivided upon approval pursuant to Section 22.2, and which amendments assign an Identifying Number to each Unit created, and reallocate the Allocated Interests and liabilities formerly allocated to the subdivided Unit to the new Units in any reasonable manner prescribed by the Owner of the subdivided Unit. The Owner of the Unit to be subdivided shall bear all costs of the subdivision. The Board may require, as a condition of approval, that the Owner of the Unit to be subdivided indemnify the Board and the Association against damage or liability arising out of the subdivision of the Unit.

22.2 Approval Required for Subdivision.

A proposal that contemplates subdivision of a Unit will be accepted only if approved in writing by all Owners and Mortgagees of the Unit or Units to be subdivided, the Board and fifty one percent (51%) of Eligible Mortgagees.

22.3 Minor Alterations.

22.3.1. No Unit may be altered in any way except in accordance with this Article.

22.3.2. An Owner may make any improvements or alterations to his Unit that do not affect the structural integrity or mechanical or electrical systems or lessen the support of any portion of the Condominium.

22.3.3. No Owner may install hard surface flooring in a Unit without the prior written consent of the Board.

22.3.4. No heating equipment, fan(s), ventilator(s) or air conditioning device(s) shall be installed within a Unit without the prior written approval of the Board.

22.3.5. An Owner may not change the Common Elements or a Limited Common Element or the exterior appearance of a Unit without permission of the Association pursuant to the procedures of Section 22.5.

22.4 Adjoining Units.

After acquiring an adjoining Unit or an adjoining part of any adjoining Unit, with the approval of the Board pursuant to Article 22, an Owner may remove or alter any intervening partition or create apertures in the partition, even if the partition in whole or in part is a Common Element, if those acts do not impair the structural integrity or mechanical or electrical systems or lessen the support of any portion of the Condominium. Removal of partitions or creation of apertures under this subsection is not a relocation of boundaries. The Owner's proposal to act under this Article shall be submitted to the Board and shall include the plans and specifications for the proposed removal or alteration.

22.5 Substantial Alteration.

A proposal that contemplates substantial alteration of one or more Units is subject to prior approval by the Board. The Board shall approve an Owner's request under this Article within sixty (60) days of its receipt of a complete request, unless the proposed alteration does not comply with Section 22.4, impairs the structural integrity or mechanical or electrical systems in the Condominium, or violates any provision of the Governing Documents. A "complete request" is a request that includes all information and materials required and requested by the Board to make an informed decision. The failure of the Board to act on a complete request within such period shall be deemed approval of that request. The Board may place reasonable conditions and restrictions upon the work as described in Section 22.6 below.

22.6 Procedure After Approval.

After approval of a proposal under this Article, the Owner whose proposal was approved may proceed according to the proposed plans and specifications. The Board has the discretion to place reasonable conditions and restrictions upon the work. For example, and without limitation, the Board may require that the Board administer the work, may make provisions for the protection of other Units or Common Elements, may impose reasonable deadlines for completion of the work, and may require insurance coverage of the contractors performing the work. Any and all changes to the Survey Map and Plans and the Declaration shall be recorded, at the expense of the Owner who requested the alteration.

22.7 Relocation of Boundaries -- Adjoining Units.

The boundaries between adjoining Units may only be relocated by an amendment to the Declaration, pursuant to Article 23, upon application to the Board by the Owners of those Units. If the Owners of the adjoining Units have specified a reallocation between their Units of their Allocated Interests, the application must state the proposed reallocations. Unless within forty-five (45) days of receiving a complete request (as defined in Section 22.5), the Board determines that the reallocations are unreasonable, the Association shall prepare an amendment that identifies the Units involved, states the reallocations, is executed by the Owners in question, contains words of Conveyance between them, and is recorded in the name of the grantor and the grantee. The Association shall obtain and record amended Survey Map and Plans complying with the requirements of RCW 64.34.232(4) necessary to show the altered boundaries between adjoining Units and their dimensions and Identifying Numbers. The Owner or Owners benefited by a reallocation of Unit boundaries shall bear all costs associated with the reallocation under this Section, in proportion to the relative benefits to each Unit as determined by the Board.

22.8 Meeting with Board.

The Board may but is not required to request a meeting with any Owner applying to modify, subdivide, or combine any part of the Condominium for the purpose of reviewing and discussing the application.

ARTICLE 23. AMENDMENT

23.1 Purpose.

The passage of time brings change. The Association must be able to anticipate and respond to change. This Article creates methods for changing the Declaration. This Article (a) establishes approval thresholds that must be met to create certain changes to the Declaration and (b) establishes steps that must be taken to complete the creation of those changes.

23.2 General Rule.

Except as otherwise provided in the Declaration, an amendment to the Declaration is adopted if approved by consent of at least sixty-seven percent (67%) of the votes in the Association. "Except as otherwise provided in the Declaration," as used in Sections 23.2 and 23.3, means an amendment adopted under Article 6, Article 18, Article 20, Article 22 and Section 23.3.

23.3 Exceptions.

23.3.1. Fundamental Change. Except as otherwise provided in the Declaration, an amendment to the Declaration or the Survey Map and Plans that (a) creates or increases special Declarant rights, (b) increases the number of Units, or (c) changes (i) the boundaries of a Unit, (ii) the Allocated Interests of a Unit, or (iii) the uses to which any Unit is restricted, is adopted if approved by at least ninety percent (90%) of the votes in the Association, including the approval of the Owner of each Unit particularly affected.

23.3.2. Eligible Mortgagee Consent to Material Amendment. Approval of a Material Amendment to the Declaration or the Survey Map and Plans also requires the consent of at least fifty-one percent (51%) of the Eligible Mortgagee(s). "Consent," as used here, includes consent obtained under Section 23.4.4 below. "Fifty-one percent (51%) of the Eligible Mortgagee(s)," as used here, means fifty-one percent (51%) of the sum of votes attributable to those Units on which Eligible Mortgagee(s) hold a first Mortgage. "Material Amendment," as used here, means an amendment to the Declaration or the Survey Map and Plans that adds, removes, or changes a provision relating to any of the following:

- (a) Expansion or contraction of the Condominium;
- (b) Conversion from one classification (i.e. Unit, Common Element, Limited Common Element) to a different classification;
- (c) Location or definition of Unit boundaries;
- (d) Property maintenance;
- (e) Property repair;
- (f) Restoration or repair (after damage or partial condemnation) in a manner other than specified in the Declaration or Survey Map and Plans;
- (g) Hazard or fidelity insurance requirements;
- (h) Reserves;
- (i) Allocation of Allocated Interests;
- (j) Voting rights;
- (k) Assessments;
- (l) Liens;
- (m) Use of Common Elements or Limited Common Elements;
- (n) Restricting the right to sell or convey a Unit;
- (o) Restricting Leasing beyond those restrictions imposed by the Declaration or by Board exercise of its rule making authority;
- (p) Establishing self-management of the Condominium where the Declaration required professional management; or

(q) Any provision that is for the express benefit of holders of first Mortgages.

23.4 Steps.

23.4.1. Board Consideration.The Board shall review any proposal that the Governing Documents be amended. The Board may act to submit a proposed amendment to the Governing Documents to Owners for approval. If the amendment to the Governing Documents is proposed to the Board by Owners with at least a majority of the total Allocated Interests, then the Board shall act to submit the proposed amendment to the Governing Documents to Owners for approval, even if the Board disagrees with the proposed amendment.

23.4.2. Notice Content.Notice of a proposed amendment to the Governing Documents shall include the text of the proposed amendment.

23.4.3. Owner Consent.Notice of a proposed amendment to the Governing Documents shall be given to Owners as provided in Section 25.1. Owner consent may be given by written consent, by vote at a meeting, or by a combination of these methods.

23.4.4. Eligible Mortgagee Consent.Notice of a proposed Material Amendment to the Declaration or Survey Map and Plans shall be given to an Eligible Mortgagee as provided in Section 25.2. An Eligible Mortgagee who received a written request to consent to a Material Amendment, but did not give the Association a written denial of consent within sixty (60) days of receiving the request is deemed to have consented to the Material Amendment.

23.4.5. Recording the Amendment.Upon obtaining the requisite consents to approve an amendment to the Declaration or the Survey Map and Plans, the Association shall complete each of the following steps:

- (a) Prepare the amendment for execution and recording, including (a) identifying the Condominium by name, (b) stating the recording number(s) of the Original Declaration and each previously recorded amendment, and (c) stating data required by RCW 65.04.045(1)(c) through (g);
- (b) Have the amendment executed and certified by (a) an officer that has been designated to do so or, in the absence of a designation, by (b) the president; and
- (c) Have the amendment recorded in the real property records of Kitsap County.

23.5 Validity of Amendment.

No action to challenge the validity of an amendment to the Declaration or Survey Map and Plans may be brought more than one (1) year after the amendment is recorded.

23.6 Existing Mortgagee Protection.

To the extent any Mortgagee protection afforded by any provision of the Original Declaration is not afforded anywhere in the Declaration, the Mortgagee under a Mortgage

recorded prior to the Declaration's Effective Date shall retain the additional protection(s) afforded by such provisions of the Original Declaration.

ARTICLE 24. TERMINATION OF CONDOMINIUM

24.1 Action Required.

Except as provided in Article 19 and Article 20, the Condominium may be terminated only by agreement of Owners of Units to which at least eighty percent (80%) of the votes in the Association are allocated and with the consent of Eligible Mortgagees of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated and in accordance with the Condominium Act. An Eligible Mortgagee who receives a written request to consent to termination who does not deliver or post to the requesting party a negative response within thirty (30) days shall be deemed to have consented to that request.

24.2 Condominium Act Governs.

The provisions of the Condominium Act relating to termination of a Condominium contained in RCW 64.34.268, as it may be amended, shall govern the termination of the Condominium, including, but not limited to, the disposition of the real property in the Condominium and the distribution of proceeds from the sale of that real property.

ARTICLE 25. NOTICES

25.1 Form and Delivery of Notice.

Unless provided otherwise in this Declaration, all notices given under the provisions of the Governing Documents shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, the notice shall be deemed to have been delivered three (3) days from the date upon which the notice was deposited in the United States mail, first class, postage prepaid, addressed to the Person entitled to such notice at the most recent address known to the Board. Notice to any Owner shall be sufficient if mailed to the Owner's Unit if no other mailing address has been given to the Board. Mailing addresses may be changed by notice in writing to the Board. Notices to the Board shall be given to the president, secretary or Managing Agent of the Association. To the extent authorized by law, notice may be given by the Association by including the notice in a newsletter. Any Governing Document Notice, as here defined, may be delivered by electronic transmission, provided that such delivery is made pursuant to, and in compliance with, a provision of the Bylaws permitting such delivery. "Governing Document Notice" means a notice given to comply with a notice requirement imposed by the Declaration, the Bylaws, or the Rules or regulations, but does **not** include notice of (i) failure to pay an Assessment, (ii) foreclosure of an Association lien, (iii) intent to enter a Unit, (iv) any enforcement or other action the Association may take against an Owner, or (v) notice to an Eligible Mortgagee.

25.2 Notices to Eligible Mortgagees.

An Eligible Mortgagee is a Mortgagee that has filed with the secretary of the Board a written request that it be given copies of the notices listed below. The request must state the

name and address of the Eligible Mortgagee and the Identifying Number or address of the Unit on which it has (or insures or guarantees) a Mortgage. Until such time that the Eligible Mortgagee withdraws the request or the Mortgage held, insured or guaranteed by the Eligible Mortgagee is satisfied, the Board shall send to the Eligible Mortgagee timely written notice of:

- (a) any proposed amendment of the Declaration or Survey Map and Plans effecting a change in (i) the boundaries of any Unit, (ii) the exclusive easement rights, if any, appertaining to any Unit, (iii) the interest in the Common Elements or the liability for Common Expenses of any Unit, (iv) the number of votes in the Association allocated to any Unit, or (v) the purposes to which a Unit or the Common Elements are restricted;
- (b) any proposed termination of Condominium status, transfer of any part of the Common Elements, or termination of professional management of the Condominium;
- (c) any condemnation loss or casualty loss that affects a material portion of the Condominium or that affects any Unit on which an Eligible Mortgagee has a first Mortgage;
- (d) any delinquency which has continued for sixty (60) days in the payment of Assessments or charges owed by an Owner of a Unit on which an Eligible Mortgagee has a first Mortgage;
- (e) any lapse, cancellation, or material modification of any insurance policy maintained by the Association pursuant to Article 18; and
- (f) any proposed action that would require the consent of a specified percentage of Eligible Mortgagees pursuant to Article 20, Article 23, or Article 24.

ARTICLE 26. GENERAL

26.1 Effective Date.

The Effective Date of the Condominium was the date the Original Declaration was recorded and the other Condominium documents were filed with the Kitsap County Auditor ("the Creation Date"). Since the Creation Date, the Property, including all Units, has been subject to the Original Declaration. The Effective Date of this Declaration shall be the date of recording of this Declaration in the real property records of Kitsap County. As of the Effective Date, the contents of this Declaration supersede and replace the contents of the Original Declaration and this Declaration shall run with the land, and shall bind the Property, including all Units, and bind all Owners and their successors and assigns. This Declaration shall so bind such properties and Persons, notwithstanding absence of a reference to it in a deed, Lease, Mortgage, or other such instrument. This Declaration shall remain so binding until this Declaration and the Condominium is terminated or abandoned in accordance with this Declaration and the Condominium Act.

26.2 Inflationary Increase in Dollar Limits.

Dollar amounts specified in this Declaration may, in the Board's discretion, be changed in proportion to changes in the Consumer Price Index for Metro Seattle-Tacoma-Bremerton,

Washington for All Urban Consumers (CPI-U), prepared by the United States Department of Labor. The base shall be as of January of the calendar year following the year in which this Declaration was recorded. If the CPI-U is no longer available, then a comparable index selected by the Board in its sole discretion may be used instead.

26.3 Reference to Survey Map and Plans.

The Survey Map and Plans were filed with the Kitsap County Auditor under recording No. 9410060196, No. 9508100164, No. 9609230188, and No. 3153741.

ARTICLE 27. GLOSSARY

27.1 Words Defined.

A word or phrase which appears in the body of a sentence in this Declaration (or in a later amendment) with the first letter in a word capitalized is a defined term. A defined term has the meaning attributed to it in this Glossary:

"Allocated Interests" means the allocation of Common Expense Liability and interest in Common Elements for each of the Units in the Condominium determined in accordance with the formulas set forth in Section 4.4 and as specified in Schedule B.

"Article" or **"Articles"** means an article of this Declaration. "Article" and "Section" are synonymous.

"Articles of Incorporation" means the articles of incorporation for the Association filed with the Secretary of State.

"Assessment" means all sums chargeable by the Association against a Unit and its Owner, including, without limitation (a) general and Special Assessments for Common Expenses, charges, and fines imposed by the Association, (b) interest and late charges on any delinquent account, (c) costs of collection, including reasonable attorney's fees, incurred by the Association in connection with the collection of a delinquent Owner's account, (d) costs and attorney's fees incurred by the Association in connection with the enforcement of the Governing Documents, and (e) all other sums payable by an Owner to the Association as provided in the Governing Documents, unless the context clearly indicates otherwise.

"Association" means the Owners' Association identified in Article 10.

"Baseline Funding Plan" means establishing a reserve funding goal of maintaining a reserve account balance above zero dollars through the thirty (30) year study period described in RCW. 64.34.380.

"Board" means the board of directors of the Association, as described in Article 11.

"Business" and **"Trade"** shall have their ordinary meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether (a)

the activity is engaged in full-time or part-time; (b) the activity is intended to or does generate a profit; and (c) a license is required to engage in the activity.

"Bylaws" means the bylaws of the Association, as they may be amended.

"Common Elements" means all portions of the Condominium other than Units.

"Common Expenses" means expenditures made by or financial liabilities of the Association including those expenses for maintenance, repair and replacement of the Common Elements and the Limited Common Elements, which are allocated to all Units, including allocations to reserves, and the following utility services to the Owners: garbage removal and, unless separately metered, water and sewer.

"Common Expense Liability" means the liability for Common Expenses divided according to the Allocated Interests of each Unit, as set forth in Schedule B.

"Condominium" means Viking's Crest, A Condominium created under the Original Declaration and the Survey Map and Plans.

"Condominium Act" means the Washington Condominium Act, codified at RCW 64.34, as it may be amended.

"Contribution Rate" means, in a Reserve Study as described in RCW 64.34.380, the amount contributed to the reserve account so that the Association will have cash reserves to pay major maintenance, repair, or Replacement Costs without the need of a Special Assessment.

"Conveyance" means any transfer of the ownership of a Unit, including a transfer by deed or by real estate contract, but shall not include a transfer solely for security.

"Declarant" means the Person who created the Original Declaration, and who recorded that Original Declaration when that Person was the sole owner(s) of the Property.

"Declaration" means this Amended and Restated Condominium Declaration for Viking's Crest, A Condominium as it may from time to time be amended.

"Effective Age" means the difference between the estimated Useful Life and Remaining Useful Life.

"Effective Date" means the date a condominium declaration or survey map and plans, or any amendment to either, becomes effective, which date shall be the date on which the instrument is recorded in the real property records of Kitsap County.

"Eligible Mortgagee" means the Mortgagee that has filed with the secretary of the Association a written request that it be given copies of notices of any action by the Association that requires the consent of Mortgagees.

"FHLMC" means the Federal Home Loan Mortgage Corporation.

"FNMA" means the Federal National Mortgage Association.

"Foreclosure" means a forfeiture or judicial or nonjudicial foreclosure of a Mortgage or a deed in lieu of foreclosure.

"Full Funding Plan" means setting a reserve funding goal of achieving one hundred percent fully funded reserves by the end of the thirty (30) year study period described under RCW 64.34.380, in which the reserve account balance equals the sum of the deteriorated portion of all reserve components.

"Fully Funded Balance" means the current value of the deteriorated portion, not the total replacement value, of all the Reserve Components. The Fully Funded Balance for each Reserve Component is calculated by multiplying the current Replacement Cost of that Reserve Component by its Effective Age, then dividing the result by that Reserve Component's Useful Life. The sum total of all Reserve Components' Fully Funded Balances is the Association's Fully Funded Balance.

"Governing Documents" means the Declaration, the Articles of Incorporation, the Bylaws, and the Rules and Regulations of the Association adopted as provided in the Declaration and Bylaws, and all amendments to these documents as lawfully adopted from time to time according to the provisions of the Declaration.

"HUD" means the Department of Housing and Urban Development.

"Identifying Number" means, with respect to a Unit, the letter of the building and number of the Unit as shown on the Survey Map and Plans.

"Improvements and Betterments" mean all decorating, fixtures, and furnishings installed or added to and located within the boundaries of the Unit, including electrical fixtures, appliances, air conditioning and heating equipment, water heaters, or built-in cabinets installed by any Owner of the Unit, present or previous.

"A Lease" has its ordinary meaning, and includes without limitation any verbal or written agreement, contract or instrument which grants a right to use, rent, lease or occupy a Unit, regardless of whether there is an exchange of money or other goods or services of value.

"Leasing" a Unit means (a) granting a right to use or occupy a Unit in exchange for receiving money or other goods or services of value and (b) allowing sole occupancy of a Unit, regardless of whether money or other goods or services of value are received in exchange. Co-ownership of a Unit is not Leasing. Sole occupancy by a housesitter is Leasing. Co-occupancy of a Unit with its Owner is not Leasing. Allowing a Related Party to occupy a Unit is not Leasing. "Lease" and "rent," when used as verbs, are synonymous.

"Limited Common Element" means a portion of the Common Elements allocated in Article 6 for the exclusive use of one Unit or the exclusive use of specific Units comprising less than all Units.

"Managing Agent" means the Person or property management firm designated by the Board under Section 11.4.

"Mortgage" means a recorded mortgage, deed of trust or real estate contract.

"Mortgagee" means any holder, insurer or guarantor of a Mortgage on a Unit.

"Notice and Opportunity to be Heard" means the procedure described in Section 11.5.

"Occupant" means anyone who (a) occupies a Unit as a permanent residence or who (b) stays overnight in any Unit more than fourteen (14) days in any calendar month or more than sixty (60) days in any calendar year.

"Original Declaration" means the Declaration for Viking's Crest, a Condominium, recorded under Kitsap County Auditor's Number 8212070075 which created the Condominium and all amendments to that document, if any, which predate the recording of this Amended and Restated Declaration for Viking's Crest, A Condominium.

"Owner" means any Person or entity who owns a Unit, but does not include any Person who has an interest in a Unit solely as security for an obligation. An Owner is the Person(s) or entity identified in the recorded Conveyance deed as the grantee(s) of the fee title interest in the Unit, except that the vendee, not the vendor, is the Unit Owner under a real estate contract.

"Person" means a natural person, corporation, partnership, limited partnership, trust governmental subdivision or agency, or other legal entity.

"Political Sign" means a sign that contains a message supporting or opposing a candidate or ballot measure that will be on an upcoming primary or election ballot.

"Property" means the entire real property on which the Condominium is built, as described in the legal description set forth in Schedule A.

"Records" means all documents that the Association has an obligation to disclose to the Owners according to the Condominium Act, or the Washington Non-Profit Corporations Act, including, for example, Governing Documents, financial records and minutes.

"Related Party" means a Person who is related to the Owner by blood, marriage, domestic partnership, or lawful adoption. It includes an Owner's spouse/domestic partner, and the Owner's and/or spouse/domestic partner's parent, parent-in-law, sibling, sibling-in-law, parent's sibling, or grandparent. Notwithstanding the foregoing to the contrary, a Person who is the settler and trustee of a living trust that owns a Unit shall be deemed to be the Owner of the Unit for all purposes under the Declaration.

"Remaining Useful Life" means the estimated time, in years, before a Reserve Component will require major maintenance, repair, or replacement to perform its intended function.

"Replacement Cost" means the current cost of replacing, repairing, or restoring a reserve component to its original functional condition.

"Reserve Components" means **Common Elements whose cost** of maintenance, repair, or replacement is infrequent, significant, and impractical to include in an annual budget.

"Reserve Study Professional" means an independent Person suitably qualified by knowledge, skill, experience, training, or education to prepare a Reserve Study in accordance with RCW 64.34.380 and 64.34.382.

"Rules and Regulations" or **"Rules"** means those rules, regulations, restrictions and policies that the Board may, from time to time, adopt, under the authority of this Declaration.

"Section" or **"Sections"** means an article of this Declaration. "Article" and "Section" are synonymous.

"Special Assessments" means those Common Expenses which cannot reasonably be calculated and paid on a monthly basis; or expenses arising out of the actions or inactions of an Owner or Occupant of a particular Unit; or expenses for Unit, Limited Common Elements or Common Element maintenance, repair or improvement that may be charged back to less than all Unit Owners under this Declaration.

"Survey Map and Plans" means the survey map and plans filed simultaneously with the recording of the Original Declaration and any amendments, corrections, and addenda thereto subsequently filed.

"Tenant" means and includes a tenant, lessee, renter, housesitter or other non-Owner Occupant of a Unit that is not occupied by its Owner.

"Unit" means a physical portion of the Condominium designated for separate ownership, the boundaries of which are described in Section 4.2 and shown on the Survey Map and Plans.

"Useful Life" means the estimated time, between years, that major maintenance, repair, or replacement is estimated to occur.

"Uses to which any Unit is restricted," as the phrase is used in Section 23.3.1 of the Declaration, means a restriction based on a land use classification of residential or non-residential, (such as those restrictions described in RCW 64.34.216(1)(e), .264(1), .268(1), .348(1), .352(8), .400(1), and .400(2) of the Condominium Act).

"VA" means the Veterans Administration.

"Washington Non-Profit Corporations Act" means RCW 24.03.

SCHEDULE A

Description of Land in Condominium

As described in the Original Declaration and Survey Map and Plans:

TOTAL PARCEL

(Phase ,plus Subsequent Phase Property)

That portion of Section 14, Township 26 North, Range 1 East, W.M., Kitsap County, Washington, more particularly described as follows:

Beginning at the Southwest corner of said Section 14; thence along the South line of said Section 14, South 88°10'32" East 1328.78 feet to the Southeast corner of the Southwest quarter of the Southwest quarter, also being station 0+00 on 4th Avenue NE; thence along the East line of the West half of the Southwest quarter, North 1°13'53" East 2671.80 feet to the Southwest corner of the Southeast quarter of the Northwest quarter; thence 88°35'53" East 50 feet to the East right-of-way of 4th Avenue NE, also being the True Point of Beginning; thence continuing along the East-West centerline of said Section 14; thence South 88°35'53" East 281.40 feet; thence leaving said East-West centerline, North 1°21'01" East 442.28 feet; thence North 88°34'06" West 300.00 feet; thence North 1°21'01" East 442.16 feet; thence North 88°32'19" West 320.00 feet; thence South 1°21'01" East 110.00 feet; thence North 88°34'06" West 261.05 feet; thence South 1°35'22" West 75.05 feet to a point on the East right-of-way of 4th Avenue NE; thence continuing along said right-of-way South 1°35'22" West 774.75 feet to the True Point of Beginning.

Containing 8.10 Acres.

SCHEDULE B

Build. #	Unit #	Apprx. Sq. Feet	B R	Bath	Level	Fireplace	Parking	CEL and ICE	Votes
1	101	742	1	1	First	1	66	0.66	1
1	102	922	2	2	First	1	74	0.82	1
1	103	927	2	2	First	1	70	0.83	1
1	104	1,123	3	2	First	1	64	1.00	1
1	201	746	1	1	Second	1	89	0.67	1
1	202	917	2	2	Second	1	69	0.82	1
1	203	935	2	2	Second	1	68	0.84	1
1	204	1,123	3	2	Second	1	67	1.00	1
1	301	748	1	1	Third	1	72	0.67	1
1	302	932	2	2	Third	1	73	0.83	1
1	303	931	2	2	Third	1	71	0.83	1
1	304	1,129	3	2	Third	1	65	1.01	1
2	101	1,114	3	2	First	1	87	1.00	1
2	102	919	2	2	First	1	86	0.82	1
2	103	916	2	2	First	1	75	0.82	1
2	104	737	1	1	First	1	80	0.66	1
2	201	1,118	2	2	Second	1	85	1.00	1
2	202	931	2	2	Second	1	84	0.83	1
2	203	924	2	2	Second	1	76	0.83	1
2	204	744	1	1	Second	1	79	0.66	1
2	301	1,118	3	2	Third	1	83	1.00	1
2	302	929	2	2	Third	1	82	0.83	1
2	303	925	2	2	Third	1	78	0.83	1
2	304	740	1	1	Third	1	77	0.66	1
3	101	1,098	3	2	First	1	96	0.98	1
3	102	924	2	2	First	1	91	0.83	1
3	103	927	2	2	First	1	101	0.83	1
3	104	918	2	2	First	1	98	0.82	1
3	105	917	2	2	First	1	95	0.82	1
3	106	737	1	1	First	1	103	0.66	1

Build. #	Unit #	Apprx. Sq. Feet	B R	Bath	Level	Fireplace	Parking	CEL and ICE	Votes
3	201	1,098	3	2	Second	1	90	0.98	1
3	202	717	2	2	Second	1	93	0.64	1
3	203	927	2	2	Second	1	102	0.83	1
3	204	925	2	2	Second	1	100	0.83	1
3	205	917	2	2	Second	1	105	0.82	1
3	206	735	1	1	Second	1	20	0.66	1
3	301	1,102	3	2	Third	1	88	0.98	1
3	302	921	2	2	Third	1	94	0.82	1
3	303	924	2	2	Third	1	99	0.83	1
3	304	920	2	2	Third	1	23	0.82	1
3	305	920	2	2	Third	1	22	0.82	1
3	306	734	1	1	Third	1	21	0.66	1
4	101	742	1	1	First	1	106	0.66	1
4	102	922	2	2	First	1	116	0.82	1
4	103	927	2	2	First	1	111	0.83	1
4	104	928	2	2	First	1	112	0.83	1
4	105	925	2	2	First	1	115	0.83	1
4	106	1,124	3	2	First	1	104	1.00	1
4	201	750	1	1	Second	1	108	0.67	1
4	202	917	2	2	Second	1	109	0.82	1
4	203	935	2	2	Second	1	113	0.84	1
4	204	922	2	2	Second	1	114	0.82	1
4	205	935	2	2	Second	1	118	0.84	1
4	206	1,123	3	2	Second	1	119	1.00	1
4	301	748	1	1	Third	1	12	0.67	1
4	302	932	2	2	Third	1	13	0.83	1
4	303	931	2	2	Third	1	11	0.83	1
4	304	932	2	2	Third	1	10	0.83	1
4	305	931	2	2	Third	1	121	0.83	1
4	306	1,129	3	2	Third	1	120	1.01	1
5	101	1,112	3	2	First	1	155	0.99	1
5	102	972	2	2	First	1	150	0.87	1

Build. ¹⁴	Unit #	Apprx. Sq. Feet	B R	Bath	Level	Fireplace	Parking	CEL and ICE	Votes
5	103	957	2	2	First	1	149	0.86	1
5	104	914	2	2	First	1	146	0.82	1
5	105	921	2	2	First	1	139	0.82	1
5	106	764	1	1	First	1	138	0.68	1
5	201	1,157	3	2	Second	1	154	1.03	1
5	202	972	2	2	Second	1	153	0.87	1
5	203	962	2	2	Second	1	148	0.86	1
5	204	920	2	2	Second	1	147	0.82	1
5	205	933	2	2	Second	1	144	0.83	1
5	206	773	1	1	Second	1	140	0.69	1
5	301	1,155	3	2	Third	1	152	1.03	1
5	302	969	2	2	Third	1	151	0.87	1
5	303	965	2	2	Third	1	143	0.86	1
5	304	925	2	2	Third	1	145	0.83	1
5	305	926	2	2	Third	1	142	0.83	1
5	306	769	1	1	Third	1	141	0.69	1
6	101	764	1	1	First	1	165	0.68	1
6	102	902	2	2	First	1	162	0.81	1
6	103	911	2	2	First	1	161	0.81	1
6	104	1,114	3	2	First	1	158	1.00	1
6	201	770	1	1	Second	1	166	0.69	1
6	202	914	2	2	Second	1	163	0.82	1
6	203	928	2	2	Second	1	160	0.83	1
6	204	1,124	3	2	Second	1	157	1.00	1
6	301	777	1	1	Third	1	167	0.69	1
6	302	916	2	2	Third	1	164	0.82	1
6	303	932	2	2	Third	1	159	0.83	1
6	304	1,129	3	2	Third	1	156	1.01	1
7	101	1,118	3	2	First	1	180	1.00	1
7	102	895	2	2	First	1	179	0.80	1
7	103	915	2	2	First	1	173	0.82	1
7	104	742	1	1	First	1	171	0.66	1

Build. #	Unit #	Apprx. Sq. Feet	B R	Bath	Level	Fireplace	Parking	CEL and ICE	Votes
7	201	1,137	3	2	Second	1	178	1.02	1
7	202	920	2	2	Second	1	175	0.82	1
7	203	914	2	2	Second	1	170	0.82	1
7	204	753	1	1	Second	1	168	0.67	1
7	301	1,101	3	2	Third	1	177	0.98	1
7	302	920	2	2	Third	1	174	0.82	1
7	303	914	2	2	Third	1	172	0.82	1
7	304	770	1	1	Third	1	169	0.69	1
8	101	1,118	3	1	First	1	182	1.00	1
8	102	947	2	2	First	1	133	0.85	1
8	103	965	2	2	First	1	185	0.86	1
8	104	1,021	2	2	First	1	186	0.91	1
8	105	931	2	2	First	1	187	0.83	1
8	106	759	1	1	First	1	188	0.68	1
8	201	1,141	3	2	Second	1	136	1.02	1
8	202	949	2	2	Second	1	137	0.85	1
8	203	962	2	2	Second	1	183	0.86	1
8	204	977	2	2	Second	1	128	0.87	1
8	205	934	2	2	Second	1	130	0.83	1
8	206	766	1	1	Second	1	129	0.68	1
8	301	1,137	3	2	Third	1	134	1.02	1
8	302	957	2	2	Third	1	135	0.86	1
8	303	968	2	2	Third	1	132	0.86	1
8	304	942	2	2	Third	1	131	0.84	1
8	305	938	2	2	Third	1	127	0.84	1
8	306	759	1	1	Third	1	184	0.67	1
Totals		119,921						100.00	120

*Legend:

BR — bedroom

BATH = bathroom

CEL = common expense liability

ICE = interest in common elements

Note on Parking: All Allocated parking spaces (except parking spaces 64, 69, 127, 180 and 184) are covered. Unallocated Spaces are not covered. All spaces are numbered.