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Spokane Co. WA

FILED FOR RECORD AT THE REQUEST OF:

STEVEN L. JONES
Feltman, Gebhardt, Eymann & Jones, P.S.
421 W. Riverside Avenue
14th Floor Paulsen Center
Spokane, WA 99201-0495

COVER SHEET

Title of Document:

Third Amendment to Declaration Establishing Covenants, Conditions and Restrictions Covering Edgewater Village, A Condominium

Reference numbers of related documents:

Auditor's File No. 78906050284

Auditor's File No. 8907180147

Auditor's File No. 4171041

on page 1 of document

Grantor(s):

Edgewater Village, a Condominium

Grantee(s):

- (1) Northeast Addition to Ross Park
- (2) The Public

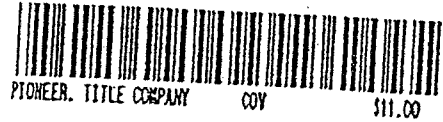
Full Legal Description:

Lots 9, 10, 11, 12, 13, 14 and 15 in Block 30, of Northeast Addition to Ross Park, as per plat thereof recorded in Volume "B" of Plats, page 33; Situate in the City of Spokane, County of Spokane, State of Washington.

Assessor's Parcel Numbers:

35094.0109 through 35094.0176, inclusive

When recorded return to:



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SECOND AMENDMENT TO DECLARATION
ESTABLISHING COVENANTS, CONDITIONS AND RESTRICTIONS
COVERING EDGEWATER VILLAGE, A CONDOMINIUM

THIS SECOND AMENDMENT is hereby declared to apply to the real property described on Exhibit "A" attached hereto and incorporated herein, and to amend that certain Declaration of Covenants, Conditions and Restrictions of Edgewater Village, a Condominium, which applies to the same real property, dated June 4, 1979 and recorded June 5, 1979 under Auditor's File No. 7906050284 with said Declaration having an amendment thereto dated July 18, 1989 and recorded on that same date under Auditor's File No. 8907180147.

Said Declaration, as amended, is hereby further amended as to the following provisions only, and all other provisions thereof not changed below shall remain in full force and effect and are hereby ratified:

1. Section 12.2 of said Declaration is amended to add a second sentence to read as follows:

Any assessment not paid by the 10th of the month in which it is due shall bear a late charge of Fifteen Dollars per month or such greater amount that the Board of Directors may determine to be appropriate.

2. Section 12.9 is amended to add the following sentence:

Any costs incurred in a suit to recover a money judgment for unpaid assessments shall be the responsibility of the owner.

This amendment is made pursuant to and in compliance with Section 22.1 of this Declaration by Resolution of the Board of Directors and sufficient supporting votes of unit owners.

DATED this 2 day of December, 1997.

EDGEWATER VILLAGE, a Condominium

By: Majorie R. Van Orskov



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President, Board of Directors

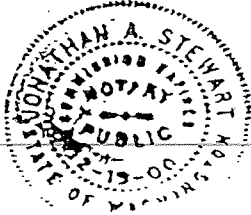
STATE OF WASHINGTON

County of Spokane

} ss.

On this 2 day of December, 1997, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared Wiggle Vahlbeck to me known to be the President of the Board of Directors of Edgewater Village, a Condominium, that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.



Jonathan A. Stewart
NOTARY PUBLIC in and for the State
of Washington, residing at Spokane.
My Commission Expires: 2/19/00



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Spokane Co. WA

PIONEER TITLE COMPANY

COV

\$11.00

EXHIBIT A

Lots 9, 10, 11, 12, 13, 14 and 15 in Block 30, of Northeast Addition to Ross Park, as per plat thereof recorded in Volume "B" of Plats, page 33; Situate in the City of Spokane, County of Spokane, State of Washington.



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Spokane Co. WA

**THIRD AMENDMENT TO DECLARATION
ESTABLISHING COVENANTS, CONDITIONS AND RESTRICTIONS
COVERING EDGEWATER VILLAGE, A CONDOMINIUM**

THIS THIRD AMENDMENT is hereby declared to apply to the real property described on Exhibit "A" attached hereto and incorporated herein, and to amend that certain Declaration of Covenants, Conditions and Restrictions of Edgewater Village, a Condominium, which applies to the same real property, dated June 4, 1979 and recorded June 5, 1979 under Auditor's File No. 7906050284 with said Declaration having amendments thereto dated July 18, 1989 and recorded on that same date under Auditor's File No. 8907180147, and dated December 2, 1997 and recorded December 18, 1997 under Auditor's File No. 4171041.

Said Declaration, as amended, is hereby further amended as to the following provisions only, and all other provisions thereof not changed below shall remain in full force and effect and are hereby ratified:

1. Section 5 of said Declaration is amended to add subsection 5.9 to read as follows:

5.9 Subservient Interest. The common area is hereby declared subservient to the interest of the unit owners and shall not be sold.

This amendment is made pursuant to and in compliance with Section 22.1 of this Declaration by Resolution of the Board of Directors and sufficient supporting votes of unit owners.

DATED this 22nd day of March, 1999.

EDGEWATER VILLAGE, a Condominium

By: Margaret E. Vanyo
President, Board of Directors

STATE OF WASHINGTON

County of Spokane

} ss.

On this 22nd day of March, 1999, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared Margaret E. Vanyo to me known to be the President of the Board of Directors of Edgewater Village, a Condominium, that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.



Patricia Murray
NOTARY PUBLIC in and for the State
of Washington, residing at Spokane
My Commission Expires: 2/9/03
p.m.



FELTMAN. GEBHARDT EYMANN

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\$10.00

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Spokane Co, WA

EXHIBIT "A"

Lots 9, 10, 11, 12, 13, 14 and 15 in Block 30, of Northeast Addition to Ross Park, as per plat thereof recorded in Volume "B" of Plats, page 33; Situate in the City of Spokane, County of Spokane, State of Washington.

Covenants, Conditions and Restrictions covering EDGEWATER VILLAGE, a condominium, dated June 4, 1979, recorded June 5, 1979, under auditor's file no. 7906050284, as follows:

Pursuant to the laws of the State of Washington, Revised Code of Washington, Chapter 64.32, Horizontal Property Regimes Act, hereinafter referred to as "The Act" for the purpose of submitting the real property hereinafter described to the provisions of the act, the undersigned persons hereinafter referred to as "Declarant" being sole owners of said property, make the following declaration. It is agreed by acceptance of a Conveyance, Contract of Sale, Lease, Rental Agreement or any form of security agreement or instrument or any privileges of use or enjoyment respecting the property or any apartment in the Horizontal Property Regime created by this declaration, that this declaration, together with the survey map and plans referred to herein, states covenants, conditions, restrictions and reservations effecting a common plan for the condominium development mutually beneficial in all of the described apartments, and that the covenants, conditions, restrictions, reservations and plans are binding upon the entire property and upon each such apartment as a parcel of realty, and upon its owners or possessors, and their heirs, personal representatives, successors and assigns, through all successive transfers of all or part of the property or any security interest therein, without requirement of further specific reference or inclusion in Deeds, Contracts or security instruments and regardless of any subsequent forfeiture, foreclosures, or sales of apartments under security instruments.

Section 1 - Definitions

In this declaration, unless the context requires otherwise:

- 1.1 "The Act" means the Horizontal Property Regimes Act (Revised Code of Washington, Chapter 64.32), as amended.
- 1.2 "Condominium" means a unit together with its appurtenant percentage of interest in common areas and rights to the exclusive use of certain limited common areas.
- 1.3 "Land" means the material of the earth, whatever may be the ingredients of which it is composed, whether soil, rock, or other substance, and includes free or occupied space for an indefinite distance upward as well as downward, subject to the provisions or limitations contained in this declaration, and subject to limitations upon the use of the airspace imposed, and rights in the use of the airspace granted, by the laws of the State of Washington or the United States.
- 1.4 "Property" means the land, the buildings, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personalty intended for use in connection therewith, which have been, or are intended to be submitted to the provisions of the act as this condominium project.

1.5 "Buildings" means the buildings containing the apartment units and related facilities comprising a part of the property.

1.6 "Unit" means a part of the property intended for residential use and occupancy, as provided herein, referred to as an apartment in the act. The boundaries of a unit are the unfinished interior surfaces of the perimeter walls, floors, ceilings, windows and doors thereof. The unit includes the outlets of utility service lines, but not the lines themselves. The wiring interior from the circuit breaker box in the unit is part of the unit. Up to this box it is common area. Any hot water heaters, heating equipment or lighting or plumbing fixtures, or appliances are part of the unit. The unit includes both the portions of the building so described and the airspace so encompassed. The existing physical boundaries of the unit as they actually exist, either as originally constructed or as reconstructed in substantial accordance with the original plans, and recognizing and allowing the effect of settling or lateral movement of the building, and recognizing and allowing minor variances from the boundaries shown in the declaration, survey map and plans, shall be conclusively presumed to be the unit's boundaries rather than metes and bounds expressed or depicted in this declaration, or the boundaries as so described or as depicted in the survey map and plans. Each unit has inseparably appurtenant to it an undivided percentage interest in all common areas; plus certain limited common areas which are for its exclusive use.

1.7 "Common Area and Facilities" and "Common Areas" means the portions of the property in which each owner of a unit has an undivided percentage interest, including, without limiting this definition, the areas described as such in this declaration.

1.8 "Limited Common Areas" means those common areas and facilities described in this declaration which are reserved for use by owners of a certain unit or units to the exclusion of the owners of the other units.

1.9 "Unit Number" means the number, letter, or combination thereof, designating the unit in this declaration as it is recorded or as it may be amended.

1.10 "Declarant" means the person or persons developing the project and signing this declaration, or the heirs, successors or assigns thereof.

1.11 "Unit Owner" means the person or persons owing a unit in fee simple absolute or qualified, as purchaser under a real estate contract, by way of leasehold, by way of periodic estate, or in any other manner in which the real property may be owned, leased or possessed in the State of Washington. This ownership carries with it an undivided interest in a like estate of the common areas and facilities in the percentage specified and established in this declaration. This definition shall not, however, include persons who rent or lease their unit from a unit owner.

1.12 "Owners Association" means all of the condominium owners as a group of co-owners of property operating in accordance with the act, the bylaws and with this declaration as it is recorded, or as either may be amended.

1.13 "Board of Directors" means the individuals selected by the declarant or elected by the association to manage and administer the property in accordance with the bylaws of the association, this declaration and the act, after the declarant or his managing agent no longer provides such management and administration.

1.14 "Mortgagee" means the secured party under a Mortgage, Deed of Trust, or other real property security instrument covering a unit or other portion, or all, of the property. Similarly, mortgage includes the grantor under a Deed of Trust and the debtor under other security instruments.

1.15 "Mortgage Insurer" means any private company or governmental agency or governmentally sponsored or related company which insures payment of all or any portion of the obligation secured by a mortgage on any unit.

1.16 "Declaration" means this instrument, as amended from time to time, by which the property is submitted to provisions of the act.

1.17 "Bylaws" means the bylaws of the association as initially promulgated by the declarant, and as amended from time to time which, with this declaration, provide for the organization of the homeowners association and for the administration of the property.

1.18 "Survey Map and Plans" means the survey map and the set of plans to be filed simultaneously with this declaration showing the location, boundaries and other information relating to the land, the buildings and units, as required by the act.

1.19 "Common Expenses" include: (a) all sums assessed from time to time against the unit owners by the association as provided for or permitted herein; (b) expenses of administration, maintenance, repair, or replacement of the common areas and facilities; (c) expenses agreed upon as common expenses by the association; (d) expenses declared common expenses by the provision of the act, or by this declaration, or by the bylaws.

SECTION 2 - DESCRIPTION OF LAND

2.1 Land Described: The land on which the buildings and improvements are located is described as follows:

Lots 9, 10, 11, 12, 13, 14 and 15 in Block 30, of Northeast Addition to Ross Park, as per plat thereof recorded in Volume "B" of Plats, page 33; Situate in the City of Spokane, County of Spokane, State of Washington.

3.1 Description of the Buildings: There are ten (10) residents buildings situate upon the land, numbered 1 through 10. Building number one is a two story building containing four two story townhouse type units. Building number two is a three story building containing a total of twelve units, four on the first floor, four on the second floor and four on the third floor. Building number three is a three story building containing a total of twelve units, four on the first floor, four on the second floor and four on the third floor. Building number four is a two story building containing four two story townhouse type units. Building number five is a three story building containing a total of eight units, two two story townhouse units, one on each end, plus two units on the first floor, two units on the second floor and two units on the third floor. Building number six is a three story building containing a total of eight units, two two story townhouse units one on each end plus two units on the first floor, two units on the second floor and two units on the third floor. Building number seven is a two story building containing four two story townhouse type units. Building number eight is a two story building, containing five two story townhouse type units. Building number nine is a two story building containing four two story townhouse type units. Building number ten is a three story building containing a total of six units, being three two story townhouse type units, and one unit each on the first floor, second floor and third floor. There is also situated upon the property, a recreation type building with laundry facilities and sixty-seven (67) carports, one of which will be assigned to each unit. The buildings are constructed upon a concrete slab and are wood framed construction with concrete foundations, flat built up roofing, and factory finished stucco board exterior. All party walls are double stud walls filled with insulation and sound board.

3.2 Description of Units: Each unit is identified by an apartment number, numbered 1 through 67, and is located in one of the ten residents buildings on the property as follows:

- (1) Units numbered 1 through 4 are two story townhouse type units located in building number 1 located on the South corner of the land, and each of said apartments contain approximately 1013.83 square feet, 8 rooms and 2 balconies of approximately 50 square feet each.
- (2) Units number 5 through 16 are one floor units located in building number 2 on the West boundary of the land, each apartment containing approximately 1,020 square feet, 6 rooms, and each having a balcony of approximately 70 square feet. Apartments numbered 5, 8, 11 and 14 are located on the first floor, apartments 6, 9, 12 and 15 are located on the second floor and apartments 7, 10, 13 and 16 are located on the third floor.

- (3) Units numbered 17 through 19 and 26 through 34, are single floor apartments located in building number 3 directly to the East of building number 2. Each apartment contains approximately 986.57 square feet and has 6 rooms and a balcony consisting of approximately 70 square feet. Apartments numbered 17, 26, 29 and 32 are located on the first floor, apartment numbered 18, 27, 30 and 33 are located on the second floor and apartments numbered 19, 28, 31 and 34 are located on the third floor.
- (4) Units numbered 20 through 25 are located in building number 10 which is directly East of building number 1. Apartments numbered 20 and 24 are two story townhouse type units each containing 957.04 square feet, 6 rooms, and 2 balconies of approximately 50 square feet each. Apartments numbered 21, 22 and 23 are each 1 floor units being on the first floor, second floor and third floor, respectively, each containing approximately 923.53 square feet, 6 rooms, and a balcony of approximately 32 square feet. Apartment number 25 is a two story townhouse type unit containing approximately 640 square feet, 5 rooms and two balconies of approximately 32 square feet and 50 square feet.
- (5) Units numbered 35 through 38 are two story townhouse type apartments located in building number 4 which is situate directly to the East of the recreation building and in the approximate center of the land. Each apartment contains approximately 1018.83 square feet, 8 rooms, and 2 balconies of approximately 50 square feet each.
- (6) Units numbered 39 through 46 are located in building number 5 situate in the South-Center of the land. Apartments numbered 39 and 46 are two story townhouse type units containing approximately 666.4 square feet, 6 rooms, and 2 balconies of approximately 50 square feet each. Apartments numbered 40 through 45 are single floor units containing approximately 975.52 square feet, 6 rooms, and a balcony of approximately 70 square feet. Apartments 40 and 43 are on the first floor, 41 and 44 are on the second floor, and 42 and 45 are on the third floor.
- (7) Units numbered 47 through 50 are two story townhouse type units located in building 9 which is directly to the East of building number 4. Each apartment contains approximately 1018.83 square feet, 8 rooms and 2 balconies consisting of approximately 50 square feet each.

- (8) Units numbered 51 through 58 are located in building number six which is in the Northeast corner of the land. Apartments numbered 51 through 58 are two story townhouse type units containing approximately 666.40 square feet, 6 rooms and 2 balconies of approximately 50 square feet each. Apartments 52 through 57 are 1 floor apartments containing approximately 975.52 square feet, 6 rooms, and 1 balcony of approximately 70 square feet. Apartments 52 and 55 are located on the first floor, apartments 53 and 56 are located on the second floor and apartment 54 and 57 are located on the third floor.
- (9) Units numbered 59 through 63 are two story townhouse type apartments located in building number 8 which is in the Southeast corner of the land, each containing approximately 1032.17 square feet, 8 rooms and 2 balconies of approximately 50 square feet each.
- (10) Units 64 through 67 are two story townhouse type apartments located in building number 7 on the East end of the property, each containing approximately 1018.83 square feet, 8 rooms and 2 balconies of approximately 50 square feet each.
- (11) Additionally, each apartment unit is equipped with a fireplace.

1032.17 x3
1018.83

18.34

SECTION 4 - ACCESS

4.1 Access to Common Ways: Each apartment has direct access to the common condominium walks, parking areas and driveways.

4.2 Access to Public Streets: Common condominium areas have access to Upriver Drive to the South and Crestline Street to the West, both public streets.

SECTION 5 - COMMON AREA AND FACILITIES

The common areas and facilities consist of:

5.1 Land: The land or real property interest as hereinbefore described and limited.

5.2 Structural Elements: The foundations, and/or columns, girders, beams, supports, main walls (excluding non-bearing interior partitions of the units) and roofs of the buildings to the boundaries of the units. Interior bearing walls and utility or equipment ducts in walls, and plumbing and wiring, shall be considered common area unless identified as part of the unit or limited common area.

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

5.4 Driveways and Parking Area: The driveways, including parking spaces not included in the limited common area.

5.5 Recreation and Laundry Facilities: The 15 by 35 heated holiday swimming pool, the recreation building with service kitchen and appliances, two (2) swedish dry saunas, mens and womens bathroom with shower facilities.

5.6 Sewage Disposal: The sewage disposal lift station located upon the subject property.

5.7 Refuse Disposal: The containers, shoots and equipment for refuse disposal, and the areas where located, are common areas for facilities.

5.8 Other: All other parts of the property necessary or convenient to its existance, operation, maintenance and safety, and for or normally in common use.

SECTION 6 - LIMITED COMMON AREAS AND FACILITIES

The limited common areas and facilities are reserved for the exclusive use of units to which they are assigned. Easements for this exclusive use are hereby established. The limited common areas and facilities consist of:

6.1 Patios or Balconies: The patio or balconies accessible from each unit are assigned as limited common areas of that unit.

6.2 Carport Parking Spaces: The carport parking space or spaces assigned to each unit.

6.3 Storage Rooms: The storage rooms assigned to ~~each unit~~.

6.4 Mail Boxes: The mail box which has been numbered identical to the apartment number

6.5 Flues: The interior of the fireplace, firebox and flue serving each apartment.

6.6 Special Items: Certain items which could ordinarily be considered common or limited common areas, such as but not limited to screen doors, window screens, other screens, awnings, storm windows, planter boxes, antennas, and the like, may pursuant to the decisions of the owners and specification in the bylaws, or by rule or regulation of the board, be designated limited common areas and as items to be furnished and/or maintained entirely at individual expense of the unit owner using them and in good order and according to standards and requirements established by the board by rule or regulation or in the bylaws.

SECTION 7 - PARKING AREAS AND STORAGE FACILITIES

There are a total of sixty-seven (67) carports intended for parking vehicles and sixty-seven (67) uncovered parking spaces. The carports shown on the survey map and plans. There is one (1) storage room for each apartment unit.

7.1 Assignment of Parking and Storage Room: The assignment of the right of exclusive use of one carport and one storage room to each unit will be indicated of record in the first conveyance of the unit by declarant. The declarant reserves the right to make the initial assignment of the carport and storage room to each apartment as the same is sold and conveyed to the new owners. Any spaces for parking and storage not previously assigned shall be considered as assigned generally and tentatively for the exclusive use of the declarant, in relation to any unit owned by the declarant and available for initial, permanent assignment to units sold by the declarant.

7.2 Right of Exclusive Use: The right of exclusive use is in the nature of an easement, and the spaces so assigned shall be, or be treated as, the limited common area of the unit to which they are assigned.

7.3 Designation as Common Area: All uncovered parking spaces are hereby declared to be common area, available to the use of all apartment owners and their guests.

SECTION 8 - VALUES AND PERCENTAGES

The value of the property and of each unit, and the percentage of undivided interest in the common areas and facilities appertaining to each unit and its owner is stated in the schedule in this section. The values are assigned and scheduled to establish the percentages required by the act and do not reflect, necessarily, the market value or the amount for which a unit will be sold, from time to time, by declarant or others. The established percentage interests are not separate from the unit, and shall be deemed to be conveyed and encumbered with the unit, although not mentioned in the instrument evidencing the encumbrance or conveyance.

<u>Unit No.</u>	<u>Value</u>	<u>Percentage of Interest</u>
1	\$46,500	1.6478
2	45,000	1.5946
3	45,000	1.5946
4	46,500	1.6478
5	40,500	1.4352
6	41,500	1.4706
7	41,500	1.4706
8	38,000	1.3466
9	39,000	1.3820
10	39,000	1.3820
11	38,000	1.3466
12	39,000	1.3820
13	39,000	1.3820
14	38,500	1.3643
15	39,500	1.3997
16	39,500	1.3997
17	42,500	1.5060
18	43,500	1.5415
19	43,500	1.5415
20	46,500	1.6478
21	43,500	1.5415
22	43,500	1.5415
23	43,500	1.5415
24	46,500	1.6478
25	35,500	1.2580
26	41,500	1.4706
27	42,500	1.5060
28	42,500	1.5060
29	41,500	1.4706

<u>It No.</u>	<u>Value</u>	<u>Percentage of Interest</u>
30	\$42,500	1.5060
31	42,500	1.5060
32	42,500	1.5060
33	43,500	1.5415
34	43,500	1.5415
35	46,500	1.6478
36	45,000	1.5946
37	45,000	1.5946
38	46,500	1.6478
39	34,500	1.2225
40	40,000	1.4174
41	40,000	1.4174
42	40,000	1.4174
43	40,000	1.4174
44	40,000	1.4174
45	40,000	1.4174
46	34,500	1.2225
47	46,500	1.6478
48	45,000	1.5946
49	45,000	1.5946
50	46,500	1.6478
51	34,500	1.2225
52	40,000	1.4174
53	40,000	1.4174
54	40,000	1.4174
55	40,000	1.4174
56	40,000	1.4174
57	40,000	1.4174
58	34,500	1.2225
59	46,500	1.6478
60	45,000	1.5946
61	45,000	1.5946
62	45,000	1.5946
63	46,500	1.6478
64	46,500	1.6478
65	45,000	1.5946
66	45,000	1.5946
67	46,500	1.6478

Total value of Property \$2,822,000.00 100.0000

SECTION 9 - OWNERS ASSOCIATION - VOTING - BYLAWS

9.1 Form of Association: Initially the association may be an unincorporated association. The board, or declarant until such time as the initial board is selected, may at any time if deemed advisable in the exercise of its sole discretion, without necessity of prior approval or other action by the members being necessary, cause such unincorporated association to be converted to a non-profit corporation under the laws of the State of Washington; provided, that, from and after the formation of such non-profit corporation, the rights and duties of the members and of such corporation shall continue to be governed by provisions of the act and of this declaration.

9.2 Membership:

(1) Qualification: Each fee owner (including declarant) shall be a member of the association and shall be entitled to one membership for each apartment so owned; provided, that if an apartment has been sold on Contract, the Contract purchaser shall exercise the rights of the apartment owner for purposes of the association, this declaration, and the bylaws, except as hereinafter limited, and shall be the voting owner unless otherwise specified. Ownership of an apartment shall be the sole qualification for membership in the association.

(2) Transfer of Membership: The association membership of each owner (including declarant) shall be appurtenant to the apartment giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon the transfer of title to said apartment and then only to the transfer of title to such apartment. Any attempt to make a prohibited transfer shall be void. Any transfer of title to an apartment shall operate automatically to transfer the membership in the association appurtenant thereto to the new owner thereof.

9.3 Voting:

(1) Number of Votes: The total voting power of all owners shall be 100 votes and the total number of votes available to owners of any one apartment shall be equal to the percentage of undivided interest in the common areas and facilities appertaining to said apartment. Only owners of apartments for which a verified statement from a qualified party that the plans for that apartment accurately depict the location and dimensions of the apartment as built shall have the right to vote; the vote shall be based on the percentage of undivided interest in the common area applicable to the phase for which the most recent verified statement mentioned above shall have been filed, so there shall be a total of 100 votes at all times.

(2) Voting Owner: There shall be one (1) voting representative of each apartment. Declarant shall be the voting representative with respect to any apartment or apartments owned by the declarant. If a person owns more than one (1) apartment he shall have the votes for each apartment owned. The voting representative shall be designated by the owner or owners of each apartment by written notice to the board, and need not be the owner. The designation shall be revocable at any time by actual notice to the board from a party having a ownership interest in an apartment, or by actual notice to the board of the death or judicially declared incompetent of any party with an ownership interest in the apartment. This power of designation and revocation may be exercised by the guardian of an apartment owner, and the administrators or executors of an owner's estate. Where no designation is made, or where a designation has been made but is revoked and no new designation has been made, the voting representative of each apartment shall be the group composed of all its owners.

(3) Joint Owner Disputes: The vote for an apartment must be cast as a single vote, and fractional votes shall not be allowed. In the event that joint owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. In the event more than one (1) vote is cast for a particular apartment, none of said votes shall be counted and said votes shall be deemed void.

(4) Pledged Votes: In the event the record owner or owners have pledged their vote regarding special matters to a mortgagee or beneficiary of a Deed of Trust under a duly recorded Mortgage or Deed of Trust, or to the vendor under a duly recorded Real Estate Contract, only the vote of such mortgagee, beneficiary or vendor will be recognized in regard to the special matters upon which the vote is so pledged, if a copy of the instrument with this pledge has been filed with the board. Amendments to this subsection shall only be effective upon the written consent of all the voting owners and their respective mortgagee's, Deed of Trust beneficiaries, and vendors, if any.

(5) Voting by Condominium Mortgagee: The mortgagee of the condominium project as a whole shall be entitled to exercise the votes of the declarant (a) arising from apartments owned by the declarant and against which the mortgagee of the condominium holds a Mortgage or Deed of Trust, and (b) with respect to amendments to this declaration, subdivision or combining of apartments, abandonment of the condominium status of the property, or reconstruction, provided, however, that said mortgagee may, as to any specific matter on which it has a right to vote in place of the declarant, waive said voting right in writing, in which event the declarant shall be entitled to exercise its votes as to those matters specifically set forth in the written waiver.

9.4 Meetings, Audits, Notices of Meetings:

(1) Annual Meetings, Audits: There shall be an annual meeting of the owners in the first quarter of each year at such reasonable place and time as may be designated by written notice of the board delivered to the owners no less than ten (10) days prior to the date for said meeting. At the annual meeting, there shall be presented an audit of the common expenses, itemizing receipts and disbursements for the preceding calendar year, and the allocation thereof to each owner, and the estimated common expenses for the coming calendar year. The board at any time, or by written request of the owners having at least twenty-four (24) per cent of the total votes, may require that an audit of the association and management books be presented at any special meeting. An apartment owner, at his own expense, may at any reasonable time make an audit of the books of the board and association.

(2) Special Meetings: Special meetings of the owners may be called at any time for the purpose of considering matters which by the terms of the act or of this declaration require the approval of all or some of the owners, or for any other reasonable purpose. Such meetings shall be called by written notice to the president of the association upon the decision of the president or after request signed by a majority of the board, or by written request of the owners having at least twenty-four (24) per cent of the total votes, which notice shall be delivered not less than ten (10) days prior to the date fixed for said meeting. The notice shall specify the date, time and place of the meeting, and in general the matters to be considered.

9.5 Bylaws of Association:

(1) Adoption of Bylaws: Bylaws for the administration of the association and the property, and for other purposes not inconsistent with the act or with the intent of this declaration, shall be adopted by the association by concurrence of those voting owners holding sixty (60) per cent of the voting power at a regular or special meeting. Notice of the time, place and purpose of such meeting shall be delivered to each apartment owner at least ten (10) days prior to such meeting. Amendments to the bylaws may be adopted by the same vote at a regular or special meeting similarly called. Declarant may adopt initial bylaws.

(2) Bylaws Provisions: The bylaws shall contain provisions identical to those provided in this Section, and may contain supplementary not inconsistent, provisions regarding the operation of the condominium and administration of the property. The bylaws shall establish such provisions for quorum, ordering of meetings and details regarding the giving of notice as may be required for the proper administration of the association and the property.

9.6 Amendment: Neither this declaration nor the bylaws of the association shall be amended, modified or superceded without the express written consent of the declarant until the management and the administration of the property is transferred from the intial board of directors to a board of directors elected by the association.

SECTION 10 - MANAGEMENT OF CONDOMINIUM

10.1 Management by Declarant: At the election of the declarant, but in no event later than either three (3) years from date of recording this declaration or thirty (30) days following the date when declarant shall have sold all of the apartments in the condominium, whichever shall first occur, the property shall be managed and the association organized as follows:

(1) Declarant may, at such time as declarant deems appropriate, select as a temporary board three (3) to seven (7) persons who own, or are purchasers of, apartments or officers of corporations owning or purchasing such apartments. This board shall have the full authority and all rights, responsibilities privileges and duties to manage the condominium under this declaration and bylaws, and shall be subject to all provisions of the declaration and bylaws.

(2) Until such time as such temporary board is selected, the declarant or his agent shall have the power and authority to exercise all the rights, duties and functions of the board, including, but not limited to, inacting reasonable administrative rules, contracting for required services, property and insurance, and collecting and expending all assessments and association funds.

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

10.2 Management by Board: Upon the expiration of the time period set forth above, or upon declarants option of exercised sooner, all administrative power and authority shall vest in a board of five (5) directors selected from among apartment owners. The board may delgate all or any portion of such power to a manager, managing agent, or officer of the association, or in such manner as may be provided by the bylaws. All board positions shall be open for election at the first annual meeting after the period of the declarants authority under Section 10.1 ends. The board shall elect a president from among its members who shall preside over meetings of the board and meetings of the association.

10.3 Authority of the Board: The board, for the benefit of the condominium and the owners, shall enforce the provisions of this declaration and of the bylaws, shall have all powers and authority permitted to the board under the act and declaration, and shall acquire and shall pay for out of the common fund hereinafter provided for, all goods and service requisite for the proper functioning of the condominium, including but not limited to, the following:

(1) Water, sewer, garbage collection, electrical, telephone, gas, and any other necessary utility services as required for the common area.

(2) Policies of insurance or bonds providing coverage for fire and other hazards, liability for personal injury and property damage, and for fidelity of association officers and other employees.

(3) The services of persons or firms as required to properly manage the affairs of the condominium to the extent deemed advisable by the board as well as such other personal as the board shall determine are necessary or proper for the operation of the common area.

(4) Legal and accounting services as may be necessary or proper in the operation of the association affairs, administration of the common area or enforcement of this declaration.

(5) Painting, maintenance, repair and all landscaping and gardening work for the common area.

(6) Such other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments as the board is required to secure by law or which, in its opinion, shall be necessary or proper for the operation of the common area or the enforcement of this declaration.

10.4 Limitation on Boards Authority: The boards authority as set forth in the preceeding paragraph shall be limited in that the board shall have no authority to acquire and pay for out of the maintenance funds capital additions and improvements having a total cost in excess of \$3,000.00 without first obtaining the affirmative vote of the owners holding a majority of the voting power present or represented at a meeting called for such purpose, or if no such meeting is held, then the written consent of voting owners having a majority of the voting power.

10.5 Term of Office: The term of office of directors shall be two (2) years. After the initial election, three (3) directors shall be elected at each annual meeting during even numbered years and two (2) directors shall be elected at each annual meeting during odd numbered years. At the organization meeting of the board, the five (5) directors so elected shall, by lot, determine which shall initially have one (1) or two (2) year terms, to stagger the expiration dates of the terms of the appropriate number of directors. Any director may be elected to serve for an additional term or terms.

10.6 Quarm for Board Action: A majority of the board shall constitute a quarm. The board shall act by majority vote of those present at its meetings where a quarm is in attendance. Meetings may be called, held and conducted in accordance with the bylaws.

SECTION 11 - USES, REGULATION OF USES, ARCHITECTUAL CONTROL

11.1 Residential Use: The building and apartments shall be used for single family residential purposes only, on an ownership, rental or lease basis, and for the common social recreational or other reasonable uses normally incident to such purposes, and also for such additional uses or purposes as are from time to time determined appropriate by the board.

11.2 Facilities Required by Declarant: Notwithstanding any provision in Section 11.1, the Declarant, its agents, and employees shall be permitted to maintain during the period of active sales, such portions of the property as declarant may choose, such facilities as in the sole opinion of the declarant may be reasonably required, convenient or incidental to the sales or rental of condominium apartments and interest.

11.3 Parking: Parking spaces are restricted to use for parking of operative automobiles. Other items and equipment may be parked or kept therein only subject to the rules and regulations of the association.

11.4 Common Drives and Walks: Common drives, walks, corridors and stairways shall be used exclusively for the normal transit and no parking shall be allowed thereon, and no obstructions shall be placed thereon or therein except or unless permitted by the board.

11.5 Maintenance and Modification of Units and Limited Common Areas:

(1) Maintenance of Unit: Each unit owner shall, at his sole expense, keep the interior of his unit, all parts of its related limited common or exclusive use areas, the equipment, appliances and appurtenances relating thereto, in good order, condition, repair and appearance. Each unit owner shall be responsible for the maintenance, repair or replacement of any plumbing fixture, water heaters, fans, heating or other equipment, fireplaces and flues, electrical fixtures or appliances which may be in or are part of his unit or assigned to his unit as a limited common area.

(2) Right to Modify Unit: Without limiting the foregoing paragraph each unit owner may, at his sole cost and expense, maintain, repair, paint, or finish, re-finish, or change surfacing of the interior walls, ceilings, floors, window frames, doors and trim of his unit, provided that hard surface flooring not originally installed by the declarant may not be installed without the prior written approval of the board of directors. Each unit owner may alter, substitute, add or remove any fixtures attached to said ceilings, floors, or walls. This section shall not be construed to permit the interference with or damage to the structural integrity of the building, or interference with the use and enjoyment of the common areas and facilities, or of the other units, or to authorize without board approval, intrusion into the common or limited common areas or any waste.

(3) Restriction as to Limited Common Areas: Unit owners may not modify, paint, or otherwise decorate or in any way alter their respective limited common areas and facilities without prior approval of the board of directors, and in all events, must act pursuant to the rules and regulations adopted for the association in accordance with applicable codes. The board may, in whole or in part, assume the maintenance of limited common areas.

11.6 Architectural Control: In order to preserve a uniform exterior appearance of the buildings and the common and limited common areas visible to the public, the board may require and provide for the painting and other decorative finish of the buildings, patios or yard areas, or other common or limited common areas, and prescribe the type and color of such decorative finishes, and may prohibit, require or regulate any modification or decoration of the buildings, balconies or yard areas or common or limited common areas undertaken or proposed by any owner. This power of the board extends to screens, doors, awnings, rails or other visible portion of each apartment and the apartment buildings. The board may also require use of a uniform color of draperies, under draperies or draper lining for all apartments.

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

11.8 Signs: No signs of any kind shall be displayed to the public view on or from any unit or from the common or limited common areas or facilities without the consent of the board, or pursuant to rules and regulations adopted by the association.

11.9 Pets: Domestic dogs and cats ^{2 Pets - under 20 lbs} may be kept by the unit owners, provided that the board or the declarant prior to any board, must give written approval of each such pet. Other animals may not be kept and the keeping of all pets shall be subject to such reasonable rules and regulations as the board may from time to time adopt. The board may require the removal of any animal which the board, in the exercise of its sole discretion, finds is disturbing other unit owners, and may exercise this authority for specific animals even though other animals are permitted and regardless of when the animal was obtained.

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

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

11.12 Exterior Projections: No washing, rugs, clothing, apparel, or any other article shall be hung on or in the common areas and facilities, limited common areas, or on outside clothes lines. No article, air-conditioner, television or radio antenna, or other device shall be attached to or suspended from an apartment or placed on the window sills thereof. All trash shall be placed in containers which shall be kept in the designated areas.

11.13 House Rules: The board or the association membership is empowered to pass, amend and revoke detailed administrative rules and regulations, or "house rules", necessary or convenient from time to time to insure compliance with the general guidelines of this Section and other provisions of this declaration.

SECTION 12 - COMMON EXPENSES AND ASSESSMENTS

12.1 Estimated Expenses: Within thirty (30) days prior to the beginning of each calendar year, the board: shall estimate the charges (including common expenses, and any special assessments for particular apartments) to be paid during such year; shall make provision for creating, funding and maintaining reasonable reserves for contingencies, operations, and repair, replacement and acquisition of common areas and facilities; and shall take into account any expected income and any surplus available from the prior year's operating fund. The declarant or initial board may at any suitable time establish the first such estimate. Said estimated requirement shall be assessed to apartments and owners thereof pursuant to the percentages set forth in this declaration. If the sum estimated and budgeted at any time proves inadequate for any reason (including nonpayment for any reason of any owner's assessment), the board may at any time levy a further assessment, which shall be assessed to the owners as set out below.

12.2 Payment by Owners: Each owner shall be obligated to pay assessments made pursuant to this article to the treasurer for the association in equal month installments on or before the first day of each month during such year, or in such other reasonable manner as the board shall designate, and any unpaid assessments shall bear interest at the rate of ten (10) per cent per annum from due date until paid. The budget may be reviewed and revised by the membership at any annual meeting, or any special meeting called for such purpose, but if not so reviewed or if no change is made shall be deemed approved.

12.3 Purpose: All funds collected hereunder shall be expended for the purposes designated in this declaration.

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

12.5 Based on Percentage: Except for certain special assessments which may be levied against particular apartments under the provisions of this declaration, all assessments for common expenses shall be assessed to apartments and the owners thereof on the basis of the percentages of ownership set forth herein and any amendments thereto.

12.6 Omission of Assessment: The omission by the board or the association before the expiration of any year to fix the estimate and assessments hereunder for that or the next year, shall

not be deemed a waiver or modification in any respect of the provisions of this declaration, or a release of the owner from the obligation to pay the assessments, or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.

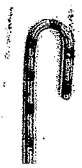
12.7 Records: The board shall cause to be kept detailed, accurate records of the form established by the association's accountant of the receipts and expenditures of the association, specifying and itemizing the maintenance and repair expenses and any other expense incurred. Such records and any resolutions authorizing the payments involved shall be available for examination by any owner at convenient hours of week days.

12.8 Declarant Liability: Declarant shall be liable for any common expense assessment for any apartment owned by the declaration.

12.9 Lien Indebtedness: Each monthly assessment and each special assessment shall be joint and several personal debts and obligations of the owner or owners and contract purchasers of apartments for which the same are assessed at the time the assessment is made and shall be collectable as such. The amount of any assessment, whether regular or special, assessed to any apartment and the owner and/or purchaser of any apartment, plus interest at the rate of ten (10) per cent per annum, and costs, including reasonable attorney's fees shall be a lien upon such apartment, the appurtenant limited common area and the exclusive use thereof. The said lien for payment of such assessments shall have priority over all other liens and encumbrances, recorded or unrecorded, except that such priority shall be limited as provided in RCW 64.32.200(2). Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosure or waiving the lien securing the same.

12.10 Certificate of Assessment: A certificate executed and acknowledged by the treasurer or the president of the board or an authorized agent thereof if neither the president nor treasurer is available, stating the indebtedness for assessments or lack thereof, secured by the assessment lien upon any apartment shall be conclusive upon the board and the owners as to the amount of such indebtedness on the date of the certificate, in favor of all such persons who rely thereon in good faith, and such a certificate shall be furnished to any owner or any encumbrancer of any apartment within a reasonable time after request, in recordable form, at a reasonable fee. Unless otherwise prohibited by law, any encumbrancer holding a lien on an apartment may pay any unpaid common expense payable with respect to such apartment unit and upon such payment such encumbrancer shall have a lien on such apartment for the amounts paid of the same rank as the lien of his encumbrance.

* an additional subordinate right or privilege.



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

12.12 Foreclosure of Assessment Lien; Attorney's Fees and Costs: The declarant, manager, or board on behalf of the association may initiate action to foreclose the lien of any assessment. In any action to foreclose a lien against any apartment for nonpayment of delinquent assessments, any judgment rendered against the owners of such apartment in favor of the association shall include a reasonable sum for attorney's fees and all costs and expenses reasonably incurred in preparation for or in the prosecution of said action, in addition to taxable costs permitted by law.

12.13 Rental Value: From the time of commencement of any action to foreclose a lien against an apartment for nonpayment of delinquent assessments, the owner or purchaser of such apartment shall pay to the association the reasonable rental value of the apartment to be fixed by the board, and the plaintiff in any such foreclosure shall be entitled to the appointment of a receiver to collect the same, who may, if said rental is not paid, obtain possession of the apartment, refurbish it for rental up to a reasonable standard permit its rental to others, and apply rents first to costs of the receivership and attorney's fees thereof, then to costs of refurbishing the apartment, then to costs, fees and charges, of the foreclosure action, then to the payment of the delinquent assessment charges.

12.14 Rental Apartments: If an apartment is rented by its owner, including declarant, the board may collect and the tenant or lessee shall pay over to the board so much of the rent for such apartment as is required to pay any amounts due the board hereunder, plus interest and costs, if the same are in default over thirty (30) days. The renter or lessee shall not have the right to question payment over to the board, and such payment will discharge the lessee's or renter's duty of payment to the owner for rent, to the extent such rent is paid to the association, but will not discharge the liability of the owner or purchaser and the apartment under this declaration for assessments, or operate as an approval of the lease. The board shall not exercise this power where a receiver has been appointed.

12.15 Remedies Cumulative: The remedies provided are cumulative and the board may pursue them concurrently, as well as any other remedies which may be available under law although not expressed herein.

SECTION 13 - INSURANCE

13.1 Insurance Coverage: The board shall obtain and maintain at all times as a common expense a policy or policies and bonds required to provide:

(1) Fire insurance, with extended coverage endorsement, in an amount as near as practicable to the full insurable replacement value (without deduction for depreciation, but less any other deductions which the board may find reasonable after consultation with insurance consultants) of the common and limited areas and the apartments, with the board named as insured as trustee for the benefit of the owners and mortgagees as their interest may appear, or such other fire and casualty insurance as the board shall determine to give substantially equal or greater protection insuring the owners, and their mortgagees, as their interests may appear. Said policy or policies shall provide for separate protection for each apartment to the full insurable replacement value thereof, (limited as above provided), and a separate loss payable endorsement, in favor of the mortgagee or mortgagees of each apartment, if any, and further, a separate loss payable clause in favor of the mortgagee of the condominium, if any. All insurance shall be obtained from an insurance carrier rated Triple A by Best's Insurance Reports or equivalent rating service, and licensed to do business in the State of Washington.

(2) General comprehensive liability insurance insuring the board, the association, the owners, declarant and managing agent against any liability to the public or to the owners of apartments and of the common and limited common areas, and their invitees, or tenants, incident to the ownership or use of the common and limited common areas and apartments, (including but not limited to owned and non-owned automobile liability) the liability under which insurance shall be not less than Three Hundred Thousand Dollars (\$300,000.00) for any one person injured and One Million Dollars (\$1,000,000.00) for any one accident, and One Hundred Thousand Dollars (\$100,000.00) for property damage (such policy limits to be reviewed at least annually by the board and increased in its discretion.

(3) Coverage may also be obtained for such other risks as shall, in the sole determination of the board, customarily be covered with respect to project similar in construction, location and use, or as may be required to facilitate lending by mortgagees or which may be required under law or by government programs or agencies.

13.2 Fidelity Bond Coverage: The association shall be required to obtain adequate fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees and employees of such association and all others who handle, or are responsible for the handling of funds of the association. Such fidelity coverage shall, to the extent reasonably obtainable in the boards discretion, be in an amount equal to at least one-half of the total estimated cash to be collected as assessments each year.

13.3 Owner's Additional Insurance: Each owner may obtain additional insurance respecting his apartment as contemplated under RCW 64.32.220 and 64.32.010(1) at his own expense; no owner shall, however, be entitled to exercise his right to maintain insurance coverage in any manner which would decrease the amount which the board, or any trustee for the board, on behalf of all of the owners, will realize under any insurance policy which the board may have in force on the condominium at any particular time. Each owner is required to and agrees to notify the board of all improvements by the owner to his apartment the value of which is in excess of One Thousand Dollars (\$1,000.00). Any owner who obtains individual insurance policies covering any portion of the condominium other than personal property belonging to such owner is hereby required to file a copy of such individual policy or policies with the Board within thirty (30) days after purchase of such insurance, and the board shall immediately review its effect with the Board's insurance broker, agent or carrier.

13.4 Insurance Proceeds: Insurance proceeds for damage or destruction to any part of the property shall be paid to the board on behalf of the association which shall segregate such proceeds from other funds of the association for use and payment as provided for herein. The association acting through its board shall have the authority to settle and compromise any claim under insurance obtained by the association and the insurer may accept a release and discharge the liability made by the board on behalf of the named insureds under the policy.

13.5 Additional Policy Provisions: To the extent deemed practicable and desirable by the board, after consultation with the association's insurance broker, agent or carrier, the insurance policy or policies required under Section 13.1 shall:

(1) Provide that the liability of the insurer thereunder shall not be affected by, and that the insurer shall not claim any right of set-off, counterclaim, apportionment, pro-ration, or contribution by reason of any other insurance obtained by or for any apartment owner;

(2) Contain no provision relieving the insurer from liability for loss occurring while the hazard to such buildings is increased, whether or not within the knowledge or control of the board, or because of any breach of warranty or condition or any other act or neglect by the board or any apartment owner or any other persons under either of them;

(3) Provide that such policy may not be cancelled (whether or not requested by the board) except by the insurer giving at least sixty (60) days' prior written notice thereof to the board and every other person in interest who shall have requested such notice of the insurer;

(4) Contain a waiver by the insurer of any right of subrogation to any right of the board, and the association, or either against the owner or lessee of any apartment; and

(5) Contain a standard mortgagee clause which shall:

a. Provide that any reference to a mortgagee in such policy shall mean and include all holders of mortgages of any apartment or apartment lease or sublease of the project, in their respective order and preference, whether or not named therein;

b. Provide that such insurance as to the interest of any mortgage shall not be invalidated by any act or neglect of the board or apartment 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 board or the insurance trustee.

SECTION 14 - DAMAGE OR DESTRUCTION: RECONSTRUCTION

14.1 Initial Board Determinations: In case of any fire or other casualty loss causing damage or destruction to any unit or common or limited common area, the board or its designee shall attempt immediately to inventory the affected property, obtain estimates and bids (to the extent possible) for the repair, restoration, or rebuilding any reconstruction of the damaged or destroyed portions of the property, and also estimates of the insurance proceeds which will probably be available after adjustment of the loss, and determine the amount, if any, by which the estimated cost of rebuilding and reconstruction, or repair or restoration will exceed anticipated insurance proceeds, and the amount of any special assessment which will be necessary to proceed computed both with and without use of any reserves, if use of reserves is proposed.

14.2 Unit Owners Meeting: Prior to the expiration of forty-five (45) days from the date of such damage or destruction, a meeting for all unit owners shall be called by the board at which meeting the available information on costs of repair, restoration or rebuilding and reconstruction, and on insurance proceeds probably available, shall be presented to the unit owners. At such meeting, or at an adjourned or subsequent meeting, which later meeting must be held prior to the expiration of ninety (90) days from the date of such damage or destruction, a vote shall be taken as to whether or not to repair, restore, or rebuild and reconstruct the property, or to terminate the condominium and sell the property, or to do otherwise.

14.3 Vote Required: A vote of a majority of the unit owners shall be sufficient to require that the property be restored, repaired, or rebuilt and reconstructed.

14.4 Effect if Vote to Restore Fails: Upon either failure to obtain or lack of such majority vote, together with the lack of or failure to obtain a unanimous vote of all owners to do otherwise than repair, restore, rebuild or reconstruct, then the condominium status of the property shall, at the expiration of ninety days from the date of damage or destruction be terminated. All the property, insurance proceeds, and reserves shall be held in common among the owners in accordance with their percentage of interest in the common areas, the liens of mortgages or other encumbrances shall be transferred to the percentage shares of the units to which the liens formerly attached, and the property, insurance proceeds and reserves shall be subject to partition.

14.5 Authority to Proceed to Repair, Restore, or Reconstruct: If it is determined to repair, restore or rebuild and reconstruct the property, then such work shall proceed as expeditiously as possible under the authority of the board or its designee to bring the property to the condition in which it existed prior to the fire or other occurrences, with each unit and the common area having substantially the same

vertical and horizontal boundaries as before. Modifications may be made to conform to then applicable governmental rules and regulations, or to account for required structural changes or unavailability of materials or different construction methods. The board or its designee shall have the authority to employ architects, advertise for bids and let contracts to contractors and others as required to effect the repair restoration, or rebuilding and reconstruction. The board may authorize the insurance company to proceed with the work upon satisfaction of the board that such work will be appropriately carried out.

14.6 Authority to do Emergency Work: In all events and at all times the board shall have the authority to proceed immediately with any emergency work, that is, work which the board deems reasonably necessary to avoid further damage or substantial diminution in value to the property and to protect the unit owners from any liability from the condition of the site.

14.7 Proceeding Without Assembled Meeting or Vote: In the event the majority of the board decides to repair, restore, rebuild or reconstruct the damage or destruction, then, notwithstanding any other or prior provisions of this declaration, no actual assembly and vote of the unit owners will be required, and because there is no unanimous vote to terminate and sell the condominium development or to do otherwise, the condominium status of the project will not terminate, will continue, and; (a) the board, or an affected unit owner for his unit, as authorized by the board as its designee, may proceed to repair, restore, rebuild or reconstruct as provided in and subject to the other limitations in this declaration, particularly section 14.5. Alternatively, (b), the board may prepare a written report covering the items specified in Section 14.1 submit the report to all unit owners as required for other notices in this declaration, and receive, rely on and proceed upon the affirmative written authorizations of a majority of the unit owners. The board (or declarant prior to selection of the board) may act as in this Section 14.7 provided, unless:

(1) Meeting Called: Within five (5) working days from the date of such damage or destruction, or prior to commencement of work or letting of any contract thereof, at least twenty (20) per cent of the unit owners have by signed letter or other statement submitted to the board, either together or independently, requested the meeting provided for in prior portions of this section; or

(2) Substantial Assessment Required: A special assessment to owners for costs of such repair, restoration, rebuilding or restoration in excess of \$1,000.00 per owner would be required if no reserve funds of the association were used; or

(3) Damage Substantial: The damage or destruction affects more than thirty (30) per cent of the apartment units, or significantly impairs the structural integrity of any building or significant portion of the common area or facilities.

SECTION 15 - CONDEMNATION

15.1 Consequences of Condemnation: If at any time or times during the continuance of the condominium ownership pursuant to this declaration, all or any part of the property shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in advance thereof, the provisions of this section shall apply. All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award," shall be payable to the Association.

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

15.3 Partial Taking: In the event that less than the entire property is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate except on a unanimous agreement to terminate the condominium status. Each owner shall be entitled to a share of the condemnation award to be determined in the following manner:

- (1) Allocation of Award: As soon as practicable the board shall, reasonably and in good faith, allocate the Condemnation Award between compensation, damages, or other proceeds.
- (2) Allocation for Common Areas: The board shall apportion the proper part of the amounts so allocated to the taking or injury to the common areas which in turn shall be apportioned among owners in proportion to their respective undivided interests in the common areas.
- (3) Allocation for Severance Damages: The total amounts allocated to severance damages shall be apportioned to those units which are not taken or condemned:

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(4) Allocation for Taking of Unit: The respective amounts allocated to the taking of or injury to a particular unit or improvements an owner has made within his respective unit shall be apportioned to the particular unit involved.

(5) Consequential Damages: The amount allocated to consequential damages and any other takings or injuries shall be apportioned as the board determines to be equitable in the circumstances.

(6) Follow Formula Established: If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocating the Condemnation Award the board shall employ such allocation to the extent it is relevant and applicable.

(7) Distribution of Proceeds: Distribution of apportioned proceeds shall be made to the respective unit owners and their respective mortgagees in the manner provided in Paragraph 15.2.

15.4 Reduction of Condominium Project Upon Partial Taking: In the event that a partial taking occurs and at least one unit is taken or condemned and the condemning authority elects to hold, use and own said unit as a condominium unit owner subject to this declaration, then the percentage of undivided interest in the common areas appurtenant to each unit not so taken or condemned shall be recalculated on the basis that the value of each of said units shall remain the same as set forth herein and the value of the entire property not so taken or condemned shall be in the aggregate of said values of said units.

15.5 Repair, Reconstruction: Any repair or reconstruction necessitated by condemnation may be carried out as provided in Section 14 hereof. The board may retain such portion of Condemnation Award proceeds due to each owner and apply the same or the required portion thereof as is necessary to discharge the owner's liability, if any, for contribution to the repair or reconstruction or for any special assessment arising therefrom.

SECTION 16 - PROCEDURES FOR SUBDIVIDING OR COMBINING

The subdivision and/or combining of any unit or units, common areas and facilities or limited common areas and facilities, is authorized only as follows:

16.1 Submission of Proposed Plan of Subdivision or Combination: Any unit owner or owners desiring to combine or subdivide any unit or units, common areas or limited common areas, shall submit to the board a written request for approval of the proposed plan of subdivision or combination, which request shall be accompanied by plans and proposed amendments to the declaration, survey map and plans to accomplish the same.

16.2 Approval of Proposed Plan: The board shall then notify all other unit owners of the requested subdivision or combination and, upon written approval of such proposal by sixty-five (65) per cent of the unit owners, or approval by a sixty-five (65) per cent vote at a meeting of unit owners called upon due notice, the unit owner or owners submitting the proposed plan of subdivision or combination may proceed to accomplish the same according to such plans; provided, that the board may in its discretion (but it shall not be required to) require that the board, its designees, or one or more of the officers administer the work or that reasonable conditions for the protection of other units or common areas and facilities be included in any contracts for the work,

16.3 Amendment of Declaration, Survey Map and Plans to Show Subdividing or Combining: The changes in the survey map, if any, and the changes in the plans and declaration, shall be placed of record as amendments to the appropriate documents before the subdivision or combining shall be deemed complete. These amendments must be signed by declarant, or upon election of a board, they must be signed by the president and attested by the secretary prior to recording.

16.4 Subdividing or Combining Affecting a Unit: No subdivision or combining which modifies any unit or its limited common area, or immediately and substantially affects any unit or its limited common areas, may be completed without the consent of the unit owner and any mortgagee of the unit.

SECTION 17 - COMPLIANCE WITH DECLARATION

17.1 Enforcement: Each owner shall comply strictly with the provisions of this declaration and with the bylaws and administrative rules and regulations passed hereunder, as the same may be lawfully amended from time to time, and with all decisions adopted pursuant to this declaration and the bylaws and administrative rules and regulations. Failure to comply shall be grounds for an action to recover sums due for damages, or injunctive relief, or both, maintainable by the board acting through its officers on behalf of the owners, or by the aggrieved owner on his own.

17.2 No waiver of Strict Performance: The failure of the board in any one or more instances to insist upon the strict performance of any of the terms, covenants, conditions or restrictions of this declaration, or of the bylaws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the board of any assessment from an owner, with knowledge of any such breach shall not be deemed a waiver of such breach, and no waiver by the board of any provision hereof shall be deemed to have been made unless expressed in writing and signed for the board. This section also extends to the declarant or declarant's managing agent, ~~exercising the power of the board during the initial period of operation of the association and the condominium development.~~

SECTION 18 - LIMITATION OF LIABILITY

18.1 Liability for Utility Failure, etc.: Except to the extent covered by insurance obtained by the board pursuant to Section 13, neither the association nor the board (or the declarant or declarant's managing agent exercising the power of the board) shall be liable for: any failure of any utility or other service to be obtained and paid for by the board; or for injury or damage to person or property caused by the elements, or resulting from electricity, water, rain, dust or sand which may lead or flow from outside or from any parts of the buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place; or for 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 common expense assessments shall be claimed or allowed for any such utility or service failure, or for such injury or damage, or for such inconvenience or discomfort.

18.2 No Personal Liability: So long as a board member, or association committee member, or association officer, or declarant or declarant's managing agent exercising the powers of the board, has acted in good faith, without willful or intentional misconduct, upon the basis of such information as may be possessed by such person, then no such person shall be personally liable to any owner, or to any other party, 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 section shall not apply where the consequences of such act, omission, error or negligence are covered by insurance obtained by the board pursuant to Section 13.

18.3 Indemnification of Board Members: Each board member or association committee member, or association officer, or declarant or declarant's managing agent exercising the powers of the board, shall be indemnified by the owners against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of being or having held such position, or any settlement thereof, whether or not he holds such position at the time such expenses or liabilities are incurred, except in such cases wherein such person is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, that, in the event of a settlement, the indemnification shall apply only when the board approves such settlement and reimbursement as being for the best interests of the association. This section shall extend to and apply also for the indemnification of the declarant or for the indemnification of the manager, if any.

SECTION 19 - MORTGAGEE PROTECTION

19.1 Priority of Mortgages: Notwithstanding all other provisions hereof and as provided in the Act, the liens created under this declaration upon any apartment for assessment shall be subject to the rights of the secured party in the case of any indebtedness secured by mortgages or deeds of trust which were made in good faith and for value upon the apartment. Where such mortgage of the apartment as defined in Section 20.1, or other purchaser of an apartment, obtains possession of an apartment as a result of mortgage foreclosure or deed of trust sale, such possessor and his successors and assigns, shall not be liable for the share of the common expenses or assessments by the association chargeable to such apartment which become due prior to such possession, but will be liable for the common expenses and assessments accruing after such possession. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the apartment owners including such possessor, his successor and assigns.

19.2 Change in Manager: In the event that professional management is employed by the Association, at least thirty (30) days' notice of any contemplated change in the professional manager shall be given to any institutional first mortgagee or institutional deed of trust beneficiary which has requested to be notified, and the agreement with such professional manager shall permit cancellation on not more than ninety (90) days written notice without cause and upon no notice for cause and shall have a term not in excess of three (3) years.

19.3 Abandonment of Condominium Status: Except when acting pursuant to the provisions of the Act involving damage, destruction, or condemnation, the Association shall not, without consent of all institutional first mortgagees and institutional first deed of trust beneficiaries of any apartment, seek to abandon the condominium status of the project.

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

19.5 Change in Percentages: The Association shall not change the percentages of interest in the common areas without the prior approval of all institutional first mortgagees or institutional first deed of trust beneficiaries of the apartments, for which the percentages would be changed.

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

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

19.8 Insurance: Where the mortgagee of an apartment as defined in Section 20.1 has filed a written request with the Board, or where the mortgagee of the condominium has filed a written request with the Board or is known to the Board, the Board shall:

- (1) Furnish the mortgagee with a copy of any insurance policy or evidence thereof which is intended to cover the apartment on which such mortgagee has a lien;
- (2) Require any insurance carrier to give such mortgagee at least ten (10) days written notice before cancelling any insurance with respect to such property on which mortgagee has a lien;
- (3) Not make any settlement of any insurance claims for loss or damage to any such apartment exceeding \$2,500.00 without the approval of such mortgagee; provided, that the withholding of such approval shall not be unreasonable or in conflict with the provisions of Section 14;
- (4) Give the mortgagee written notice of any loss or taking affecting common areas, if such loss or taking exceeds \$10,000.00.

19.9 Inspection of Books: Institutional first mortgagees and institutional deed of trust beneficiaries shall be entitled to inspect at all reasonable hours of week days all of the books and records of the Association.

SECTION 20 - MORTGAGEE'S RIGHTS AFTER FORECLOSURE

20.1 Apartment and Condominium Mortgagee; Mortgagee of the apartment refers to the holder of the mortgage or deed of trust on an apartment which was recorded simultaneous with or after the recordation of this Declaration. Mortgagee of the condominium refers to the holder of the deed of trust or mortgage on the real property which this Declaration affects and which was executed and recorded prior to the recordation of this Declaration.

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

20.3 Extension of Declarant's Powers: In the event the mortgagee of the condominium commences a foreclosure or ~~accepts title to the unsold units by deed in lieu of foreclosure,~~ during the time the Declarant may perform all Board functions, then said powers conferred upon Declarant by said Section, and to which the mortgagee of the condominium may succeed, shall be extended for an additional two (2) years. The mortgagee of the condominium shall be entitled to appoint a receiver during the pendency of any foreclosure and said receiver shall immediately, upon appointment succeed to and assume the rights and powers of the Declarant as set forth in this Declaration, and the receiver shall be entitled to sell unsold condominium units during the pendency of said foreclosure, and said sales shall be subject to confirmation by court order.

20.4 Liability of Mortgagee: In the event the mortgagee of the condominium is conveyed the unsold apartment units in lieu of foreclosure, or obtains possessory rights, legal title or purchaser's certificate to said unsold apartments as a result of the foreclosure of the mortgage or deed of trust covering the condominium, then said mortgagee will be liable for only that portion of any assessment against any completed apartment unit so owned by mortgagee (or to which mortgagee has a certificate of purchase) for which Declarant would be liable under Section 12.8; provided, that in no event will the mortgagee be liable for any past due assessments which

accrued or became due prior to the time the mortgagee obtained possession by foreclosure or by deed in lieu of foreclosure; and provided further, that after initial sale if the mortgagee reacquires any apartment unit, or if at any time the mortgagee retains any apartment unit, or if at any time the mortgagee retains any apartment and grants, rents, or leases the same, the mortgagee shall be liable for the normal assessments for such apartment unit.

SECTION 21 - EASEMENTS

21.1 In General: It is intended that in addition to rights under the statute, each apartment has an easement in and through each other apartment and the common and limited common areas for all support elements and utility, wiring, heat and service elements, and for reasonable access thereto, as required to effectuate and continue proper operation of this condominium plan. Without limiting the generality of the foregoing, each apartment and all common and limited common area is specifically subject to an easement for the benefit of each of the other apartments in the building for all duct work for the several apartments for fireplaces and associated flues or chimneys. In addition, each apartment and all the common and limited common area is specifically subject to easements as required for the intercom and electrical entry system, if any, for the electrical wiring and plumbing, for the air conditioning lines and equipment, if any, for each apartment, for the vacuum system roughed-in in each unit, if any, for the intercom system, if any, and for the master antenna cable system. Finally, each apartment as it is constructed is granted an easement to which each other apartment and all common and limited common areas are subject for the location and maintenance of all the original equipment and facilities and utilities for such apartment. The specific mention or reservation of any easement in this declaration does not limit or negate the general easement for common facilities reserved by law.

21.2 Association Functions: There is hereby reserved to the declarant and the association, or their duly authorized agents and representatives, such easements as are necessary to perform the duties and obligations of the association as are set forth in the declaration, or in the bylaws, and the association rules.

21.3 Encroachments: Each apartment and all common and limited common area is hereby declared to have an easement over all adjoining apartments and common and limited common area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, or any other similar cause, and any encroachment due to building overhang or projection. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of owners shall not be altered in any way by said encroachment, settling or shifting; provided, however, that in no event shall a valid easement for encroachment be created in favor of an owner or owners if said encroachment occurred due to the willful act or acts with full knowledge of said owner or owners. In the event an apartment area or common or limited common area is partially or totally destroyed, and then repaired or rebuilt, the owners agree that minor encroachments over adjoining apartments and common and limited common areas shall be permitted, and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any apartment.

21.4 Declarant's Easement Rights; In addition to the general easements reserved by statute and by reference in other sections of this Declaration, there is reserved a non-exclusive easement in favor of Declarant and Declarant's successors, assigns and purchasers across the realty described on Schedule A for ingress and egress, access for utility lines of all varieties, and other related purposes.

SECTION 22 - AMENDMENT OF DECLARATION, SURVEY MAP AND PLANS

This declaration and the survey map and plans may be amended as follows:

22.1 Amendments by Unit Owners: The declaration and the survey map and plans may be amended at any annual meeting of the association, or at a special meeting called for such purpose, if sixty five (65) per cent or more of the unit owners vote for such amendment, or without such meeting if all unit owners are notified in writing and sixty five (65) per cent or more approve the amendment in writing; provided, that any amendment changing the value of the property and of each of the units and each of their percentages of undivided interest in the common areas and facilities shall require the unanimous consent of the unit owners. Notice of any proposed amendment shall be given to all unit owners not less than ten (10) days prior to the date of the meeting at which the proposed amendment will be considered. After election of the board, any proposed amendment must be first submitted to the board and approved prior to its adoption by a majority of the board. The declaration and survey map and plans shall not be amended without the prior written consent of the declarant until the board has been elected by the unit owners. Copies of any proposed amendment to the declaration or to the survey map and plans shall be furnished to or made available for the examination of each unit owner from and after the time the notice of the proposed amendment is given to the unit owners, and prior to any written approvals being obtained.

22.2 Amendments by Declarant or President of Association: In addition to and notwithstanding the foregoing, the declarant may amend this declaration and the survey map and plans, without the consent or approval of the board or of any unit owners, and upon declarant's sole signature, or the board may authorize amendment by signature of the president alone (attested by the secretary) without the consent of any unit owners, as follows:

- (1) To change the name or address of the person authorized to receive service of process.
- (2) To correct, clarify or complete assignments of parking and storage spaces.

22.3 Form and Signature-Recording-Effective Date of Amendments: Amendments to this declaration and to the survey map and plans shall be effective when recorded with the appropriate county officer. Amendments to this declaration shall be made in an instrument in writing which sets

forth the entire amendment and which bears the signature of the declarant, or after a board is selected, of the president of the association, attested by the secretary, and shall be acknowledged by them; provided, that amendments authorized for signature by the declarant alone may be signed and acknowledged by any authorized representatives of the declarant. Any amendments of the survey map and plans shall be accompanied by declaration amendments explaining the changes made and making any necessary changes in the declaration.

22.4 Amendment Terminating Condominium - Removal of Property From Submission to Act:

(1) Termination or Removal by Amendment: These covenants and the condominium status of the property may be terminated and the property removed from submission to the act by an amendment recorded to this declaration which has the unanimous consent of all unit owners.

(2) Lien Holders Consent: In addition, the mortgagees and holders of all liens affecting any of the units must consent or agree by recorded instrument that their mortgages or liens be transferred to the percentage of undivided interest in the property of the owner of the unit.

(3) Effect of Termination or Removal: Upon termination or removal of the property from the provisions of the act, the property shall be deemed to be owned in common by the unit owners. ~~The undivided interest in the property owned in common which apper-~~ tains to each unit owner shall be the percentage of interest previously owned by such owner in the common areas.

Termination may also occur in accordance with applicable provisions of the act and provisions of this declaration.

SECTION 23 - INTERPRETATION

23.1 Liberal Construction: The provisions of this Declaration shall be liberally construed to effectuate its purposes of creating a uniform plan for the development and operation of this Horizontal Property Regime under the provisions of Washington law. It is intended and covenanted also that, insofar as it affects this declaration and condominium, the provisions of the act referenced herein under which declaration is operative shall be liberally construed to effectuate the intent of this declaration insofar as reasonably possible.

23.2 Consistent with Act: The terms such as, but not limited to, "apartment," "apartment owners," "association of apartment owners," "building," "common areas and facilities," "common expenses," "land," "limited common areas," and "property," used herein are intended to have the same meaning given in the Act unless the context clearly required otherwise or to so define the terms would produce an illegal or improper result.

23.3 Covenant Running with the Land: In interpreting the Survey Map and Plans, the existing physical boundaries of the buildings and each apartment as constructed shall be conclusively presumed to be its boundaries.

23.4 Captions and Schedules: Captions given to the various articles and sections herein are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof. If any schedules are referred to herein, and attached hereto, the same shall be deemed incorporated herein by reference as though fully set forth where such reference is made.

SECTION 24 - SALE OR LEASE, RIGHT OF FIRST REFUSAL, OPTION

24.1 In General: In the event any owner of an apartment shall wish to sell, rent or lease the same, and has received any bona fide offer therefore from a prospective purchaser or tenant, the board shall be given written notice of all terms thereof, together with the name and address of the contemplated lessee, renter or purchaser, and such credit, character and other references as the board may request. Such notice and references shall be given to the board for all of the owners. The owners through the board, or an assignee's own funds, shall have the irrevocable option or right to purchase or lease or rent the subject apartment upon the same terms and conditions as set forth in the offer, provided written notice of such election to purchase, rent or lease is given to the selling, renting, or leasing owners, and a matching down payment or deposit is provided to the selling, renting, or leasing owner during the fifteen (15) day period immediately following the delivery of the notice of the bona fide offer to the board. After the board or its assignee shall have elected to exercise the option, it shall have thirty (30) days from the date of such election to close the transaction, but the owner shall not be entitled to proceed with any different or other transaction without first again, complying with this right of first refusal.

24.2 Acquisition by Board: The board shall not exercise this option on behalf of all owners without the prior written consent of all owners and contract purchasers and sellers. Acquisitions by the board of apartments or interests therein under the provisions of this section shall be made from the maintenance fund. If the fund is insufficient, the board may levy a special assessment against each apartment in proportion to the interest of the owners thereof in the common areas. The board in its discretion may borrow money to finance the acquisition of an apartment or interest therein, which acquisition is authorized by this section; provided, however, that no financing may be secured by an encumbrance of any portion of the property other than the apartment or interest therein to be acquired, and shall not permit a deficiency judgment against the association. Apartments or interests therein acquired pursuant to the terms of this section shall be held of record in the name of the board or nominees of the board in trust for all the owners. Such apartments or interest therein shall be leased, rented, held or sold by the board for the benefit of the owners. The net proceeds of such leasing, renting or sale shall be deposited in the association accounts, or distributed to the owners, as the board determines.

24.3 Assignment or Subletting: The assignment or subleasing or subrenting of an apartment shall be subject to the same limitations as are applicable to the leasing or renting thereof. The liability of the owner under these covenants shall continue for subsequent transactions, notwithstanding the fact that he may have on one or more times assigned, leased or rented said apartments and complied herewith.

24.4 Right to Mortgage: In no case shall the right of first refusal reserved herein affect the right of an owner to subject his apartment to a trust deed, mortgage or other security instrument in a transaction which is not a sale or lease.

24.5 Waiver of Board's Rights: The failure or refusal of the board to exercise the right to so purchase or lease shall not constitute or be deemed to be a waiver of such right to purchase or lease when an owner receives any subsequent bona fide offer from a prospective purchaser or tenant.

24.6 Deceased Owner: The board may proceed to purchase the apartment or interest therein of any deceased owner which shall be offered for sale, upon the prior written consent of all the apartment owners, which consent shall set forth a maximum price which the board is authorized to bid and pay for the apartment or interest therein.

24.7 Transactions not Affected by Right of First Refusal:

(1) Foreclosure: In the event of any default on the part of any owner under any mortgage or deed of trust made in good faith and for value, which entitled the holder thereof to foreclose same, any sale under such foreclosure or deed of trust, or any delivery of a deed to the mortgagee or beneficiary in lieu of such foreclosure, shall be made free and clear of the provisions of this section, and the purchaser (or grantee under such deed in lieu of foreclosure) of such apartment unit shall be thereupon and thereafter subject to the provisions of this declaration. If the purchaser following such foreclosure sale (or grantee under deed given in lieu of such foreclosure) or sale under deed of trust shall be the holder of the mortgage or the deed of trust beneficiary, or its nominee, the said holder or nominee may thereafter sell and convey or rent or lease the apartments free and clear of the provisions of this section, but its grantee or vendee shall thereupon and thereafter be subject to all of the provisions thereof; except however, the case where the mortgagee conveys to the Federal Housing Administration, Veterans Administration, or other mortgage insurer, pursuant to legal requirements of the mortgage insurance, such mortgage insurer shall be entitled to convey to its purchaser, free and clear of this section, in which case its grantee or vendee shall thereupon and thereafter be subject to all the provisions thereof.

(2) Inheritance: The transfer of a deceased joint tenant's interest to the surviving joint tenant or the transfer of a deceased's interest to a devisee by will, under a community property agreement, or to his heirs at law under intestate laws shall not be subject to the provisions of this section.

(3) Declarant's Transfer: The restrictions on sale, conveyance, leasing or rental of apartments contained in this section shall not apply to declarant.

24.8 Certificate of Satisfaction of Right of First Refusal:

Upon written request of any owner or purchaser, or any prospective transferee, purchaser, tenant, or an existing or prospective mortgagee of any apartment, it shall be the duty of the secretary of the board and the president, or of any two board members, (if the secretary and president are unavailable) to as rapidly as reasonably possible issue a written and acknowledged certificate in recordable form evidencing:

(1) Whether for any proposed tenancy, lease or sale proper notice was given by the selling or leasing owner, and whether the remaining owners did or did not elect to exercise the option to purchase, lease or rent;

(2) With respect to a deed to a vendor, first mortgagee or deed of trust beneficiary or its nominee in lieu of foreclosure or forfeiture, and a deed from a vendee, mortgagee or beneficiary or its nominee, whether or not the deeds were in fact given in lieu of foreclosure and were or were not subject to the provisions of this section.

(3) With respect to any contemplated transfer, whether or not it is a sale or lease or rental subject to the provisions of this section.

SECTION 25 - MISCELLANEOUS

25.1 Service of Process: Mr. Grant Groesbeck, whose address is North 909 Pines Road, Spokane, Washington 99206, is the person upon whom process may be served as provided for in the Act. After organization of the association, service of process for the purposes provided in the Act may also be made upon the president of the association. The board may, at any time, designate a new or different person or agency for such purposes by filing an amendment to this declaration limited to the sole purpose of making such change, and such amendment need only be signed and acknowledged by the then president of the association. The declarant may, at any time, before the board is organized, change such designation by amendment to the declarations signed and acknowledged only by the declarant.

25.2 Notices: The term notice, includes letters or other communications other than legal process. Any notices permitted or required to be delivered under the provisions of this declaration, the bylaws, or the act may be delivered either personally or by mail. If delivery is by mail, any such notice shall be deemed to have been delivered forty-eight (48) hours after a copy has been deposited in the United States mail, postage prepaid, for first class mail, addressed to the person entitled to such notice at the address of such person, or, in the case of items sent by the association, at the most recent address given in writing by such person to the association. Notice to a unit owner or owners shall be sufficient if delivered or addressed to the unit if no other names or mailing addresses have been given the association. Notice to be given to the association may be given to the person named for service of process until the board has been elected, and thereafter shall be given to the president or secretary of the association. Acceptable proof of delivery shall include, but shall not be limited to, registered mail receipt, or post office validated or signed receipt for certified mail, or return receipt signed by party to whom the items was sent or his agent.

25.3 Mortgagee's Acceptance: Columbia Federal Savings and Loan Association is beneficiary on a Deed of Trust covering all of the property described herein, which Deed of Trust is filed with the County Auditor of Spokane County, document no. 7803280205. The beneficiary shall not have executed this declaration at the time it is initially filed. This declaration shall not initially be binding upon said beneficiary but rather shall be subject and subordinate to said Deed of Trust. Declarant shall not consummate the conveyance of title of any apartment until said beneficiary shall have accepted the provisions of this declaration and made appropriate arrangements, in accordance with the Act, for partial release of apartments with their appurtenant limited common areas and percentage of interest in common areas from the lien of said Deed of Trust. The issuance and recording of the first such partial release by said beneficiary shall constitute its acceptance of the provisions of this declaration and the condominium status of the apartments remaining subject to its Deed of Trust as well as its

acknowledgement that such appropriate arrangements for partial release of apartments has been made, provided, that except as to apartments so released, said mortgage shall remain in full effect as to the entire property.

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

25.5 Effective Date: This declaration shall take effect upon recording.

25.6 Association Property: The board may, from the common funds of the association, acquire and hold by nominee, in trust, or in the name of the association, for the benefit of the owners, tangible and intangible personal property and real property and interests therein, and may dispose of the same by sale or otherwise. The beneficial interest in such property shall be owned by the owners in the same proportion as their respective interest in the common areas, and such property shall thereafter be held, sold, leased, rented, mortgaged or other dealt with for the benefit of the association as the board may direct.

25.7 Warranties Limited: EXCEPT AS SPECIFICALLY EXPRESSED IN ANY PURCHASE AGREEMENT OR SPECIAL WARRANTY DOCUMENT, IT IS AGREED THAT DECLARANT MAKES NO WARRANTY, EXPRESS OR IMPLIED, OF FITNESS, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OF ANY TYPE OR KIND, REGARDING ANY ASPECT OR CONDITION OF THE UNITS, COMMON OR LIMITED COMMON AREAS, APPLIANCES, FIXTURES OR DOCUMENTS, COSTS OR EXPENSES RELATING TO THE CONDOMINIUM DEVELOPMENT. The buildings, units, common areas and documents are part of or relate to an existing structure which is available for the examination of potential unit owners and their mortgagees prior to closing of any sale transaction.

25.8 Reference to Survey Map and Plans: The Survey Map and Plans of the buildings referred to herein were filed with the Auditor of Spokane County, Washington, simultaneous with the recording of this declaration under File No. 7-0007283, in Volume 3 of Condominiums, pages 25-26.

DATED this 4 day of June, 1979.

Grant F. Groesbeck
Grant F. Groesbeck

Nancy Groesbeck
Nancy Groesbeck

8907180147

AMENDMENT TO DECLARATION ESTABLISHING
COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS AND EASEMENTS
FOR THE EDGEWATER VILLAGE CONDOMINIUM

Section 17.1 of this Declaration is amended by adding the following phrase:

17.1. In the event the board is required to file an action to enforce any of the aforesaid provisions of this declaration or the by-laws or regulations or to recover damages caused by the non-compliance of an owner or resident, the owner shall pay as part of any recovery all fees and costs including reasonable attorney's fees incurred by the board in such action.

This amendment is made pursuant to and in compliance with Section 22.1 of this Declaration by resolution of the Board of Directors and sufficient supporting votes of the unit owners.

7-18-89
Date

George C. Tott
PRESIDENT OF BOARD OF DIRECTORS

SUBSCRIBED AND SWORN to before me this 18 day of July, 1989.

Dana A. Ford
NOTARY PUBLIC in and for the
State of Washington, residing
at Spokane.
My commission expires: 7/15/92

~~REGISTERED~~
REQUEST OF George Tott
JUL 18 10 53 AM '88
WILLIAM E. DONAHUE \$5.00
AUDITOR
SPOKANE COUNTY, WASH
CLERK
SAMPSON

W 1321 Broadway
99201

Superior Building Corporation

BY-LAWS
of
EDGEWATER VILLAGE
A Condominium

The following are the By-Laws of Edgewater Village, a Condominium, duly established according to the laws of the State of Washington entitled "Horizontal Property Regimes Act (Condominiums)", as set forth in Chapter 64.32 of the Revised Code of Washington, as the same exists or may hereafter be amended. The Declaration establishing this Condominium is filed with the Spokane County Auditor under Auditor's Receiving No. 7906050284 et al, and the Condominium Plan thereof filed with the Spokane County Auditor under Auditor's Receiving No. 7906050283 and recorded in Volume 3 of Condominiums, pages 25 and 26.

ARTICLE I

Section 1. By-Laws Applicability. The provisions of these By-Laws are applicable to the project.

Section 2. Personal Application. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws and the rules adopted pursuant thereto.

The mere acquisition or rental of any of the apartment units (hereinafter referred to as "units") of the project or the mere act of occupancy of any of said units will signify that these By-Laws are accepted, ratified and will be complied with.

ARTICLE II

VOTING, MAJORITY OF OWNERS
QUORUM, PROXIES

Section 1. Voting. Voting shall be on a percentage basis and the percentage of the vote to which the owner is entitled is the percentage assigned to the apartment unit or units in the Declaration.

Section 2. Majority of Owners. As used in these By-Laws the term "Majority of Owners" shall mean those owners holding 51% of the votes in accordance with the percentages assigned to the Declaration.

An owner is defined as the person holding the title to a residential unit or being a contract purchaser thereof.

All voting power attributable to a residential unit must be voted as a unit. No division of vote is permitted due to ownership by husband and wife, or by any form of joint or co-ownership.

Section 3. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of owners" as defined in Section 2 of this Article shall constitute a quorum.

Section 4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE III

ADMINISTRATION

Section 1. Association Responsibilities. The owners of the units will constitute the Association of Owners (hereinafter referred to as "Association") who, through its officers, will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments and managing the project or arranging for the management of the project pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of owners.

Section 2. Place of Meetings. Meetings of the Association shall be held at a convenient place on the project or such other suitable place convenient to the owners as may be designated by the Board of Directors.

Section 3. Annual Meetings. The first annual meeting of the Association shall be held on the first Tuesday of the month occurring sixty (60) days after the first occupancy of the last unit sold by the developer or at such earlier time as may be determined by its initial directors. Thereafter, the annual meetings of the Association shall be held during the first quarter of each year, provided, that written notice shall be given to the owners no less than ten (10) days prior to the date for said meeting. At such meeting there shall be elected by ballot of the owners, a Board of Directors in accordance with the requirements of Section 5 of Article IV of these By-Laws. The owners may also transact such other business of the Association as may properly come before them.

Section 4. Special Meetings. Special meetings of the owners may be called at any time for the purpose of considering matters which by the terms of the act or of the declaration require the approval of all or some of the owners, or for any other reasonable purpose. Such meetings shall be called by written notice to the president of the Association upon the decision of the president or after request signed by the majority of the Board, or by written request of the owners having at least twenty four (24) percent of the total votes, which notice shall be delivered not less than ten (10) days prior to the date fixed for said meeting. The notice shall specify the date, time and place of the meeting, and in general the matters to be considered. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5) of the owners present, either in person or by proxy.

Section 5. Notice of Meetings. It shall be the duty of the secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each owner of record, at least ten (10) days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served. Personal service of notice shall be equal to notice by mail.

Section 6. Adjourned Meetings. If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 7. Order of Business. The order of business at all meetings of the owners of units shall be as follows:

- (a) Roll Call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Election of inspectors of election;
- (g) Election of directors;
- (h) Unfinished business;
- (i) New business.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Number and Qualification. After the first annual meeting of the Association the affairs of the Association shall be governed by a Board of Directors composed of five (5) persons, all of whom must be owners of units in the project (except for members of the interim board).

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the owners.

Section 3. Other Duties. In addition to duties imposed by these By-Laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

- (a) Care, upkeep and surveillance of the common areas and facilities.
- (b) Collection of monthly assessment from the owners.
- (c) Designation and dismissal of maintenance and operational personnel.
- (d) Promulgation from time to time and enforcement of Rules of Community Conduct.

Section 4. Management Agent. The Board of Directors may employ for the Association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article.

Section 5. Election and Term of Office. The term of

office of Directors shall be two (2) years. After the initial election, three (3) Directors shall be elected at each annual meeting during even numbered years and two (2) Directors shall be elected at each annual meeting during odd numbered years. At the organizational meeting of the Board, the five (5) Directors so elected shall, by lot, determine which shall initially serve ~~one (1) year or two (2) year terms~~. Any Director may be elected to serve for ~~an additional term or terms~~.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Association.

Section 7. Removal of Directors. At any regular or special meeting duly called, any one or more of the directors may be removed with or without cause by a majority of the owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

Section 8. Organization Meeting. ~~The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.~~

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, or telegraph, at least three (3) days prior to the day named for such meeting. *See memo of meeting by owners*

Section 10. Special Meeting. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request

of at least three directors.

Section 11. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. Board of Director's Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association ~~handling or responsible for Association funds~~ shall furnish adequate fidelity bonds. The premiums of such bonds shall be paid by the Association.

ARTICLE V

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. The directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary. The offices of Treasurer and Secretary may be filled by the same person.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors,

any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors.

Section 8. Compensation. The officers and directors shall serve without compensation.

ARTICLE VI

OBLIGATIONS OF THE OWNERS

Section 1. Assessments. All owners are obligated to pay their proportionate share of the common expenses. Such common expenses may include expense of administration, maintenance, repair or replacement of common areas and facilities,

liability and casualty insurance coverage, operating reserve and reserve fund for maintenance and replacements, and such items as may be lawfully assessed by the Owner's Association.

All owners are obligated to pay monthly assessments imposed by the Association to meet such common expenses. Assessments shall be due on the first of each month and delinquent on the tenth. The first assessment will be due at such time as determined by the Interim Board. Delinquent assessments shall be collected as specified in the Declaration.

Section 2. Maintenance and Repair.

(a) Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in a part belonging to other owners. Every owner is expressly responsible for the damages and liabilities that this failure to do so may engender.

Every owner shall be responsible for damages and liability to persons or property of person within the limited area assigned to him and hold the other owners individually harmless (beyond any insurance coverage maintained and paid by or for the group or individuals thereof) for any act or omission for which they as owners in a neighborhood, not a part of a condominium, would have no responsibility.

(b) All the repairs of internal installations of the unit such as water, light, heating, gas, power, sewage, telephones, air conditioners, sanitary installations, lamps and all other accessories belonging to the unit area shall be at the owner's expense. Private doors and their locks, windows, screens, shades and awnings, and surface of decks and coverings or patios shall be maintained and replaced or repaired at the expense of the individual unit owner.

(c) A unit owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault.

Section 3. Use of Units - Internal Changes.

(a) All units shall be utilized for residential purposes only.

(b) A unit owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing.

through the Management Agent, if any, or through the President of the Board of Directors, if no management agent is employed. ~~The Association shall have the obligation to answer within five (5) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.~~

(c) In order to maintain a compatible appearance throughout the condominium for the benefit of all owners, ~~no unit owner shall change the exterior appearance of his unit by drapes, screens shades, or awnings or by altering or improving the limited common area assigned his unit without the consent of the Association (through its managing agent, if any).~~ Such consent shall not be unreasonable withheld.

Section 4.

(a) Each unit owner shall so enjoy and use the common areas so that the same may be maintained in a neat and sanitary condition.

(b) No unit owner or occupant shall obstruct or interfere with the proper use and enjoyment of the other owners of the common area. In the event of a conflict in desires ~~of the use of the common area facilities, the matter shall be referred to and determined by the Board of Directors or at its option by the manager if one is selected.~~

Section 5. Right of Entry.

(a) An owner shall grant the right of entry to the management agent or to any other person authorized by the Board of Directors or the Association in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

Section 6. Rules of Conduct.

(a) No resident of the project shall post any advertisements or posters of any kind in or on the project except as authorized by the Association.

(b) Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Keeping domestic animals will abide by the Rules of Community Conduct.

(c) No unit owner, resident, or lessee shall install wiring for electrical or telephone installations, television antennae, machines, or air conditioning units, etc., on the exterior of the project or that protrude through the walls or the roof of the project except as authorized by the Association.

ARTICLE VII

AMENDMENTS TO PLAN OF APARTMENT OWNERSHIP

Section 1: By-Laws. These By-Laws may be amended by the Association in a duly constituted meeting for such purpose and no amendment shall take effect unless approved by owners representing at least seventy-five (75) percent of the total value of all units in the project as shown in the Declaration, EXCEPT that no amendment may be made until the management is transferred to an elected Board of Directors by the initial board.

ARTICLE VIII

COMPLIANCE

These By-Laws are set forth to comply with the requirements of Chapter 64.32 of the Revised Code of Washington.

In case any of these By-Laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply.

ARTICLE IX

INTERIM PROVISIONS

At the election of the declarant, but in no event later than three (3) years from the date of recording of the Declaration or thirty (30) days following the date when declarant shall ~~have~~ sold all of the apartments in the condominium, whichever shall first occur, the property shall be managed and the Association organized as follows:

(1) Declarant may, at such time as declarant deems appropriate, select as a temporary Board three (3) to seven (7) persons who own or are purchasers of apartments or officers of corporations owning or purchasing such apartments. This Board shall have the full authority and all rights, responsibilities,

privileges and duties to manage the condominium under this Declaration and the By-Laws and shall be subject to all provisions of the Declaration and By-Laws.

(2) Until such time as such temporary Board is elected, the declarant or his agent shall have the power and authority to exercise all the rights, duties and functions of the Board, including, but not limited to, enacting reasonable administrative rules, contracting for required services, property and insurance, and collecting and expending all assessments and Association funds.

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

Until such time as the interim Board of Directors is appointed or a Board of Directors is elected, all notices required under the Declaration and By-Laws and all correspondence to be given to the Board or the officers of the condominium shall be given to Grant F. Groesbeck, North 909 Pines Road, Spokane, Washington 99206.

EDGEWATER VILLAGE CONDOMINIUM
HOME OWNERS ASSOCIATION

BY [Signature]

BY [Signature]
[Signature]

PROPOSED AMENDMENT OF BY-LAWS OF EDGEWATER
VILLAGE CONDOMINIUM HOME OWNERS ASSOCIATION,
TO ADD ARTICLE X AS SET OUT BELOW

Arlene Alathaus
Sec.

ARTICLE X

"Section 1. Every owner, as defined in Article II, Section 2, of these By-Laws, shall upon becoming an owner, immediately inform the secretary of the Edgewater Village Home Owners Association, in writing, of his/her full name (first name, middle initial, last name) and his/her place of residence, (street #, city, state and zip code) if that residence is other than a unit of the condominium, and the number of the unit he/she acquired.

Section 2. Each owner on sale, whether by a cash transaction or a sale installment contract, shall, in writing, notify the secretary of the Association of the above information with reference to his/her buyer.

Section 3. The information requested in Sections 1 and 2 above are absolutely necessary in order for the Association to properly allocate monthly assessments, and know the person or persons responsible for those monthly assessments, so that the Association can operate properly with respect to administering the condominium units and taking care of the expenses in connection therewith."

RECEIVED FEB 28 1989

PROPOSED AMENDMENT OF BY-LAWS OF EDGEWATER VILLAGE
CONDOMINIUM HOMEOWNER'S ASSOCIATION

TO CHANGE ARTICLE SECTION 12 - COMMON EXPENSE AND ASSESSMENTS -
SECTION 12.2 PAYMENT BY OWNERS AS SET OUT BELOW:

EACH OWNER SHALL PAY MONTHLY AND/OR SPECIAL ASSESSMENTS MADE
PURSUANT TO THIS ARTICLE TO THE TREASURER OF THE ASSOCIATION IN
EQUAL MONTHLY INSTALLMENTS ON OR BEFORE THE FIRST DAY OF EACH
MONTH DURING SUCH YEAR, OR IN SUCH OTHER MANNER AS THE BOARD
SHALL DESIGNATE. ANY UNPAID ASSESSMENT SHALL BEAR COMPOUND
INTEREST AT THE RATE OF TWELVE (12) PERCENT PER ANNUM COMMENCING
THIRTY (30) DAYS FROM ITS DUE DATE, PROVIDING HOWEVER IF ANY
ASSESSMENT IS PAID DURING THE MONTH IN WHICH IT ACCRUES NO
INTEREST SHALL BE CHARGED ON THAT ASSESSMENT.

IF ASSESSMENTS ARE DELINQUENT PAYMENTS SHALL BE APPLIED TO THE
MOST DELINQUENT ASSESSMENT.

THE BUDGET MAY BE REVIEWED AND REVISED BY THE MEMBERSHIP AT ANY
ANNUAL MEETING, OR ANY SPECIAL MEETING CALLED FOR SUCH PURPOSE,
BUT IF NOT SO REVIEWED OR IF NO CHANGE IS MADE IT SHALL BE DEEMED
APPROVED.

DATED THE _____ DAY OF _____, 1993.

EDGEWATER VILLAGE CONDOMINIUM ASSOCIATION - BY-LAWS

SECTION 13 - INSURANCE 13.1 (3)

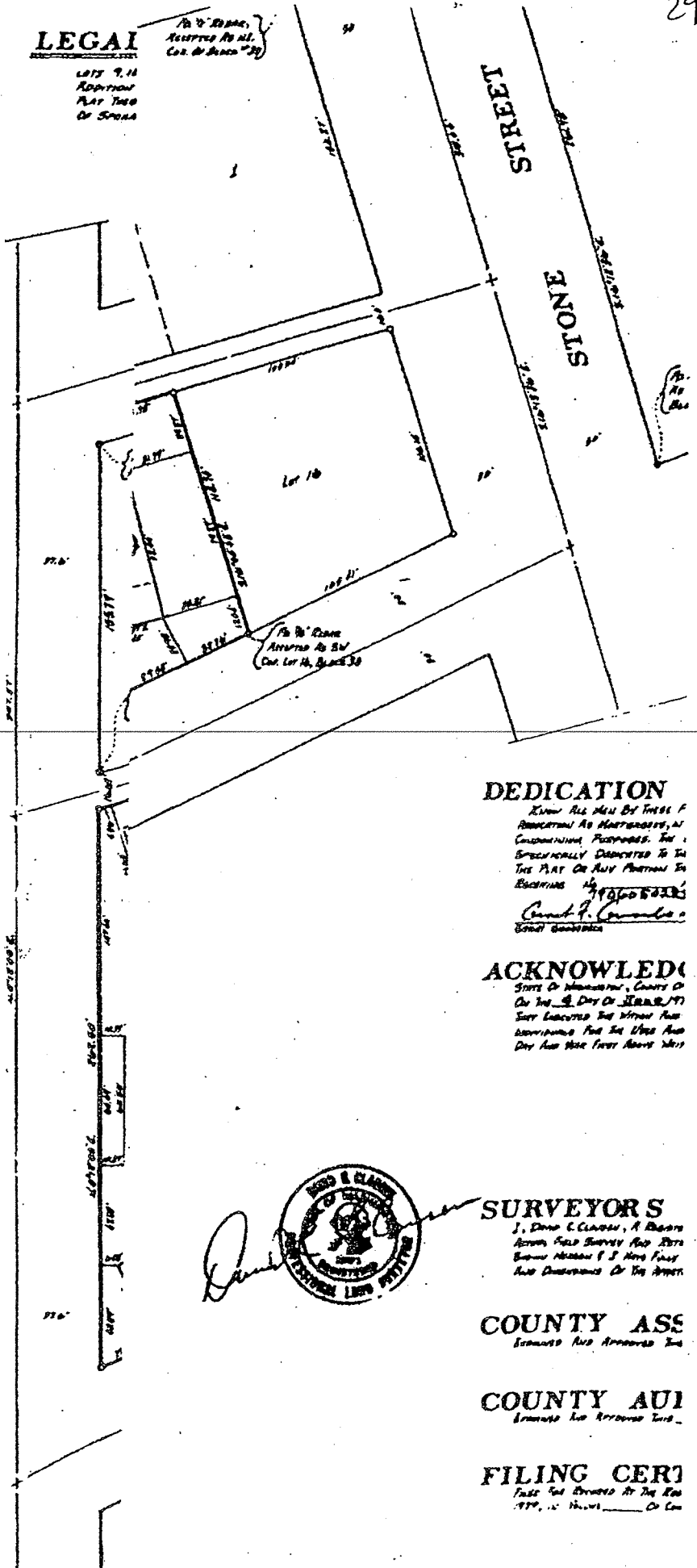
THE BOARD HAS RECONSIDERED AND THEREFORE REAFFIRMS ITS POSITION ON FLOOD INSURANCE COVERAGE, THAT IT SHOULD BE SOLELY THE RESPONSIBILITY OF SAID OWNER(S).

DATED THE 31st DAY OF March, 1993.

LEGAL

To W. B. HARRIS,
Accepted As S.W.
Cor. Of Block 30

LOT 9, 11
ADDITION
PLAT 1288
OF SEVEN



DEDICATION

Know All Men By These P
Provisional As Hereinafter, at
Conveying, Possession, For
Specially Dedicated To Be
The Part Of Any Particular In
Exacting

W. B. Harris
Corr. of Block 30
School Committee

ACKNOWLEDG

State of Minnesota, County of
On the 5 Day of June, 1911
I, the undersigned, have been
admitted to the office and
day and hour first above said



SURVEYORS

J. D. C. CLARK, A. BROWN
Actual Field Survey and Plat
Surveyors and J. M. F. FINE
and Deputies of the Surveyors

COUNTY ASS

Approved and Approved To

COUNTY AUI

Approved and Approved To

FILING CERT

Filed and Approved At The
1911, at _____

