

**DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS**

ESTABLISHING THE CONDOMINIUM

TO BE KNOWN AS

HI-TIDE

When recorded mail to:
Hi-Tide Condominium Association
PO Box 6536
Olympia, WA 98507-6536

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AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ESTABLISHING THE CONDOMINIUM TO BE KNOWN AS HI-TIDE

ARTICLE I AMENDMENTS

This Amended and Restated Declaration of Covenants, Conditions and Restrictions hereinafter called "Declaration", is made and sent to Montesano, Grays Harbor County, Washington, this 24th day of January 2022, has been approved by a vote of the Condominium Owners Association on June 12, 2021. (Will need an update) These Amended and Restated Covenants, Conditions and Restrictions supersede the original Covenants, Conditions and Restrictions Establishing the Condominium to Be Known as Hi-Tide recorded on the 10th day of October, 1978 under recording number 137077, and as amended by the document recorded on the 9th day of January, 1981 under recording number 810112009, and as amended by the document recorded on the 10th day of February, 1984 under recording number 840224015, and as amended by the document recorded on the 2nd day of June, 1988 under recording number 880603039, and as amended by the document recorded on the 14th day of May, 1990 under recording number 900515074, and as amended by the document recorded the 13th day of June, 2005 under recording number 06130018, and as amended by the document recorded the 4th day of March, 2022 under recording number 2022-03040078.

ARTICLE II DESCRIPTION OF REAL PROPERTY

Lots 1 to 11 inclusive, Block 4, together with all of vacated Warwick Street and Seventh Street adjacent thereto, all in Mill Addition to the Town of Moclips as per plat recorded in Volume 3 of Plats, Page 63, Records of Grays Harbor County. Lots 3 to 11 inclusive, Block 17, and Lot 1, Block 18 together with all vacated Seventh Street adjacent thereto, all in the Townsite of Moclips as per plat recorded in Volume 3 of Plats, Page 38, records of Grays Harbor County. All of the Northern Pacific railway right-of-way between Townsite of Moclips and Mill Addition lying North of the Southerly line of sixth Street and the Northerly line of Seventh Street per deed filed under Auditor File No. 83897 more particularly described as follows: All that portion of Government Lot 1, Section 7, Township 20 North, Range West, Willamette Meridian, Grays Harbor County, Washington described as follows: Beginning at the southwest corner of Lot 1, Block 4, Mill Addition to Moclips, then East along the North line of Sixth Street 117.48 feet to the Southwest corner of Lot 11, Block 3 of said Addition; then N 13 28' 10"W 367.35 feet, along the East line of Warwick Street (vacated) to the Southwest corner of Lot 1 Block 1 of said Addition; then S 76 31' 50"W 115.00 feet to the Southwest corner of Lot 1, Block 18, original Townsite of Moclips; Then S 76 23' 50" 147.79 feet to the Southeast corner of lot 1, block 18,

original townsite of Moclips; then N 13 36' 10" West 40 feet to the Northeast corner of Lot 1, Block 18 of said Townsite; Then South 76 23' 50" west 100 feet to the northwest corner of said Lot 1; then S 13 36' 10" East 328.50 feet to the Southwest corner of said Lot 3, , block 17 of said townsite; Then north 76 23' 50" east 100 feet to the southeast corner of said lot 3; then South 13 36' 10" E 112.50 feet to the Northeast corner of Lot 11, Block 16 of said Townsite; then North 76 23' 50" E 147.61 feet to the Northwest corner of the Riverside Addition which is the intersection of the South line of Sixth Street, the West line of Railroad Avenue and the East line of the Northern Pacific right-of-way; then N 13 28' 10" W 60.00 feet to the point of beginning.

In addition to the above-described property, eight parcels were purchased by the HTCA in 1989 and is therefore the owner of certain real estate property described as follows:

1. Government Lot 7 less part of Parcel Tax 3
2. Parcel Tax 3 (Unplatted)
3. Moclips Mill lots 1-6 inc. blk 1; lots 1-6 inc. blk 2; lots 1-23 inc. blk 3; lots 1-11 inc. blk 5 and vacated 7th St. and adjacent vacated Warwick St.
4. Moclips Mill Tax 1 (Unplatted)
5. Moclips Townsite Lots 12-13, blk 7
6. Moclips Townsite Lots 14-22, inc. blk 7
7. Moclips Townsite Lots 1 & 2, Inc. ½ vacated street, adj. blk 17
8. Moclips Townsite Lots 2-7, inc. blk 18 and adjacent vacated 7th and 8th Street.

RESERVATIONS

The Condominium Owner's Association shall retain an easement for possible vehicular traffic and utility installations, consisting of the east 25' of vacated 7th Street as located by extensions of the east and west borders of vacated Warwick Street and that section of vacated Warwick Street adjacent to Block 4 of Mill Addition to the town of Moclips.

ALL RESERVATIONS OF RECORD

WHEREAS, the buildings heretofore constructed, upon the aforesaid premises which property is intended to constitute a condominium development under the terms and provisions of the Act and this Declaration: and

WHEREAS, The Condominium Owners (singular possessive used above) Association desires and intends the filing of this Declaration and the above described property and the buildings and other improvements constructed thereon, together with all the appurtenances thereto, to the provisions of the aforesaid Act, and in addition to impose upon such property mutually beneficial

restrictions under the general plan of improvement of the Declaration, and plans, for the benefit of all of the said condominium development and the owners of units therein;

NOW, THEREFORE, the Condominium Owners Association does hereby publish and declare that all of the property, buildings and improvements described above are held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, an improved subject to the following covenants, conditions, restrictions, uses limitations and obligations, all of which are declared to be, and by acceptance of deeds or interest hereunder are agreed to be in furtherance of a plan for the said property and condominium units. The covenants, conditions and restrictions shall be deemed to run with the land in the individual units and shall be a burden and benefit upon the land in the units and shall be binding upon any person acquiring any interest in the condominium units, the real property and improvements, their grantees, successors, heirs, executors, administrators, debtees, and assigns.

ARTICLE III DEFINITIONS

- (a) **"Unit"** means a part of the property intended for any type of independent use, including one or more rooms or spaces located on one or more floors (or part or parts thereof) in a building, or for any other use not prohibited by law, and which has a direct exit to a public street or highway, or to a common area leading to such street or highway. The boundaries of a unit located in a building are the interior surfaces of the perimeter walls, floors, ceilings, windows and doors thereof, and the unit includes both the portions of the building so described and the air space so encompassed. In interpreting declarations, deeds, and plans, the existing physical boundaries of the unit as originally constructed or as reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed or depicted in this declaration, deed or plan, regardless of settling or lateral movement of the building and regardless of minor variance between boundaries shown in this declaration, deed, or plan and those of units in the building.
- (b) **"Unit number"** means the number, letter, or combination thereof, designating the unit in this declaration as duly recorded or as it may be lawfully amended.
- (c) **"Unit owner"** means the person or persons owning a Unit, as herein defined, in fee simple absolute or qualified, by way of leasehold or by way of a periodic estate, or in any other manner in which real property may be owned, leased or possessed in this state, together with an undivided interest in a like estate of the common areas and facilities in the percentage specified and established in this declaration as duly recorded or as it may be lawfully amended.

- (d) **"Association"** or **"HTCA"** means the Hi-Tide Condominium Association as provided for in this Declaration, and the Association's Bylaws and Articles of Incorporation, if any, as each may be duly amended from time to time.
- (e) **"Building"** means a building, containing two or more units, or two or more buildings each containing one or more units, and comprising a part of the property.
- (f) **"Common areas and facilities"**, includes:
- i. The land on which the building is located.
 - ii. The foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, and entrances and exits of the building.
 - iii. The basements, yards, gardens, parking areas and storage spaces.
 - iv. The premises for persons in charge of the property.
 - v. The installations of central services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning, cable TV, Wi-Fi and Internet access.
 - vi. The elevators, tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations existing for common use.
 - vii. Such community and commercial facilities as may be provided for in this declaration as duly recorded or as it may be lawfully amended.
 - viii. All other parts of the property necessary or convenient to its existence, maintenance, and safety, or normally in common use.
- (g) **"Common expenses"** include
- i. All sums lawfully assessed against the unit owners by the association of unit owners.
 - ii. Expenses of administration, maintenance, repair, or replacement of the common areas and facilities.
 - iii. Expenses agreed upon as common expenses by the association of unit owners.
 - iv. Expenses declared common expenses by the provisions of this chapter, or by this declaration as it is duly recorded, or by the bylaws, or as they may be lawfully amended.
- (h) **"Common profits"** means the balance of all income, rents, profits and revenues from the common areas and facilities remaining after the deduction of the common expenses.
- (i) **"Declaration"** means the instrument by which the property is submitted to provisions of this chapter, as hereinafter provided, and as it may be, from time to time, lawfully amended.

- (j) "**Electronic transmission**" or "electronically transmitted" means any electronic communication not directly involving the physical transfer of a writing in a tangible medium, but that may be retained, retrieved, and reviewed by the sender and the recipient of the communication, and that may be directly reproduced in a tangible medium by a sender and recipient.
- (k) "**Land**" means the material of the earth, whatever may be the ingredients of which it is composed, whether soil, rock, or other substance, whether or not submerged, and includes free or occupied space for an indefinite distance upwards as well as downwards, subject to limitations upon the use of airspace imposed, and rights in the use of the airspace granted, by the laws of this state or of the United States.
- (l) "**Limited common areas and facilities**" includes those common areas and facilities designated in this declaration, as it is duly recorded or as it may be lawfully amended, as reserved for use of a certain unit or units to the exclusion of the other units.
- (m) "**Majority**" or "majority of unit owners" means the unit owners with fifty-one percent or more of the votes in accordance with the percentages assigned in this declaration, as duly recorded or as it may be lawfully amended, to the units for voting purposes.
- (n) "**Operator**" or "short-term rental operator" means any person who receives payment for owning or operating a dwelling unit, or portion thereof, as a short-term rental unit.
- (o) "**Percent of the unit owners**" means the unit owners with the stated percent or more of the votes in accordance with the percentages assigned in this declaration, as duly recorded or as it may be lawfully amended, to the units for voting purposes.
- (p) "**Person**" includes any individual, corporation, partnership, association, trustee, or other legal entity.
- (q) "**Property**" means the land, the building, all improvements and structures thereon, all owned in fee simple absolute or qualified, by way of leasehold or by way of a periodic estate, or in any other manner in which real property may be owned, leased or possessed in this state, and all easements, rights and appurtenances belonging thereto, none of which shall be considered as a security or security interest, and all articles of personal intended for use in connection therewith, which have been or are intended to be submitted to the provisions of this chapter.
- (r) "**Supermajority**" means at least seventy-five percent (75%) of the total voting power of the Association, unless otherwise specified in this Declaration.

- (s) "**Tangible medium**" means a writing, copy of a writing, facsimile, or a physical reproduction, each on paper or on other tangible material.
- (t) The "**Act**" used in this document refers to the Horizontal Property Regimes Act (RCW 64.32) of the State of Washington and any subsequent acts or statutes that are applicable to all condominiums, regardless of when they were built, and which supersede earlier Act provisions. These subsequent acts include the Condominium Act (RCW 64.34) and the Washington Uniform Common Interest Ownership Act (WUCIOA) (RCW 64.90).

ARTICLE IV

DESCRIPTION OF BUILDINGS, UNITS, AND COMMON ELEMENTS

BUILDING "A"

Building "A" is a two-story structure containing 14 units, 6 on the first floor, 7 on the second floor, 1 two-story unit on both the first and second floor, a storage room on the second floor, and a utility room (currently configured as a laundry room) on the ground floor. The building is of wood frame construction with a wood and marblecrete exterior.

HTCA Common Use Area (Non-Allocable)

Approximate area: 1,298 square feet.

This two-story area contains eight rooms, including an entry area/office, one residential bath, three bedrooms, a living room, dining room, and kitchen. It is located at the south end of Building A, with a living room, dining room, bedroom and kitchen on the first floor, and two bedrooms and one bath on the second floor.

This area does not include the utility room restroom, utility room, or second floor storage closet.

Access is available from both the east parking area and the west yard area.

The HTCA Common Use Area has the exclusive right to use the west decks adjacent to it. This area is designated as a Common Element and may be used for operational purposes, including rental or administrative functions, at the discretion of the HTCA membership.

Utility Room

Approximate area: 479 square feet

Rooms: The Utility room is currently configured as a laundry room supporting commercial sized, electric washers and dryers. The utility room includes a bathroom (1/2 bath).

Location: The Utility room is located on the ground level, just north of the HTCA residential use Unit “A”.

Unit 1, 2, 3, 4, 5, and 6.A

Approximate area: 600 square feet.

Rooms: Each of these units has one bedroom, one bath, kitchen, dining room and living room.

Location: These units are on the first floor with unit 6 at the north end of the building. Unit 5 is directly south of 6, 4 is directly south of 5, 3 is directly south of 4, 2 is directly south of 3, 1 is directly south of 2.

Access: Each of these units has access to the east parking area and the west yard area.

Other Data: Each of these units has the exclusive right to use the deck adjacent to it.

Unit 21, 22, 23, 24, 25, 26, and 27A

Approximate area: 600 square feet.

Rooms: Each of these units has one bedroom, one bath, kitchen, dining room and living room.

Location: These units are on the second floor with unit 27 at the north end of the building. Unit 26 is directly south of 27, 25 is directly south of 26, 24 is directly south of 25, 23 is directly south of 24, 22 is directly south of 23, 21 is directly south of 22.

Access: Each of these units has access to the common second floor walkway, thence (software suggests replace with then) to the stairway and the east parking area.

Other Data: Each of these units has the exclusive right to use the deck adjacent to it.

Storage Room

Approximate Area: 90 square feet [TBV]

Rooms: This storage room contains cable\phone\internet switching and electronics.

Location: The storage room is located on the second floor in building A, just north of the HTCA Residential Use Unit A.

BUILDING “B”

Building “B” is a two-story structure with a basement parking and HTCA storage room on the ground floor. The building contains ten units, five on the first floor and five on the second floor. The building is of wood frame construction with a wood exterior.

Unit 7, 8, 9, and 10B

Approximate area: 600 square feet.

Rooms: Each of these units has one bedroom, one bath, kitchen, dining room and living room.

Location: These units are on the first floor with unit 7 on the east end of the building. Unit 8 is directly west of 7, 9 is directly west of 8, and 10 is directly west of 9.

Access: Each of these units has access to the common 1st floor walkway, thence to the stairway and the garage and the south parking area.

Other Data: Each of these units has the exclusive right to use the deck adjacent to it, the identified parking stall below it, and the identified storage room at the end of the parking stall.

Unit 11B

Approximate area: 900 square feet.

Rooms: This unit has two bedrooms, one bath, kitchen, dining room and living room.

Location: This unit is on the west end of the first floor directly west of unit 10.

Access: This unit has access to the common 1st floor walkway, thence to the stairway and the garage and the south parking area.

Other Data: This unit has the exclusive right to use the deck adjacent to it, the identified parking stall below it, and the identified storage room at the end of the parking stall.

Unit 28, 29, 30, and 31B

Approximate area: 600 square feet.

Rooms: Each of these units has one bedroom, one bath, kitchen, dining room and living room.

Location: These units are on the second floor with unit 28 on the east end of the building. Unit 29 is directly west of 28, 30 is directly west of 29, and 31 is directly west of 30.

Access: Each of these units has access to the common 2nd floor walkway, thence to the stairway and the garage and the south parking area.

Other Data: Each of these units has the exclusive right to use the deck adjacent to it, the identified parking stall below it, and the identified storage room at the end of the parking stall.

Unit 32B

Approximate area: 900 square feet.

Rooms: This unit has two bedrooms, one bath, kitchen, dining room and living room.

Location: This unit is on the west end of the second floor directly west of unit 31.

Access: This unit has access to the common 2nd floor walkway, thence to the stairway and the garage and the south parking area.

Other Data: This unit has the exclusive right to use the deck adjacent to it, the identified parking stall below it, and the identified storage room at the end of the parking stall.

Storage Room

Approximate Area: 200 square feet [TBV]

Location: The storage room is located on the ground floor, just on the west end of the building B, inside the carport area.

BUILDING “C”

Building “C” is a two-story structure with a basement parking and HTCA storage room on the ground floor. The building contains ten units, five on the first floor and five on the second floor. The building is of wood frame construction with a wood exterior.

Unit 12C

Approximate area: 900 square feet.

Rooms: This unit has two bedrooms, one bath, kitchen, dining room and living room.

Location: This unit is on the southern end of the first floor directly south of unit 13.

Access: This unit has access to the common 1st floor walkway, thence to the stairway and the garage and parking area.

Other Data: This unit has the exclusive right to use the south and west decks adjacent to it, the identified parking stall below it, and the identified storage room at the end of the parking stall.

Unit 13, 14, and 15C

Approximate area: 600 square feet.

Rooms: Each of these units has one bedroom, one bath, kitchen, dining room and living room.

Location: These units are on the first floor with unit 13 directly north of 12 and 14 is directly north of 13 and 15 is directly north of 14.

Access: Each of these units has access to the common 1st floor common walkway, thence to the stairway and the parking garage and the parking area.

Other Data: Each of these units has the exclusive right to use the west deck adjacent to it, the identified parking stall below it, and the identified storage room at the end of the parking stall.

Unit 16C

Approximate area: 900 square feet.

Rooms: This unit has two bedrooms, one bath, kitchen, dining room and living room.

Location: This unit is on the north end of the first floor directly north of unit 15.

Access: This unit has access to the common 1st floor walkway, thence to the stairway and the garage and parking area.

Other Data: This unit has the exclusive right to use the west and north decks adjacent to it, the identified parking stall below it, and the identified storage room at the end of the parking stall.

Unit 33C

Approximate area: 900 square feet.

Rooms: This unit has two bedrooms, one bath, kitchen, dining room and living room.

Location: This unit is on the south end of the second floor directly south of unit 32.

Access: This unit has access to the common second floor common walkway, thence to the stairway and the garage and parking area.

Other Data: This unit has the exclusive right to use the south and west decks adjacent to it, the identified parking stall below it, and the identified storage room at the end of the parking stall.

Unit 34, and 35C

Approximate area: 600 square feet.

Rooms: Each of these units has one bedroom, one bath, kitchen, dining room and living room.

Location: These units are on the second floor with unit 34 directly north of 33 and 35 directly north of 34.

Access: Each of these units has access to the common second floor walkway, thence to the stairway and the garage and the parking area.

Other Data: Each of these units has the exclusive right to use the west deck adjacent to it, the identified parking stall below it, and the identified storage room at the end of the parking stall.

Unit 36C

Approximate area: 550 square feet.

Rooms: This unit has one bedroom, one bath, kitchenette, dining area and living room.

Location: This unit is on the second floor directly north of unit 35.

Access: This unit has access through a second-floor entry hallway shared with unit 37, to the second-floor common walkway, thence to the stairway and the garage and parking area.

Other Data: This unit has the exclusive right to use the deck adjacent to it, and the identified parking stall below it.

Unit 37C

Approximate area: 950 square feet.

Rooms: This unit has one bedroom, one bath, kitchen, dining room and living room and sauna room.

Location: This unit is on the north end of the second floor directly north of unit 36.

Access: This unit has access through a second-floor entry hallway shared with unit 36, to the common second floor walkway, thence (then) to the stairway and the garage and the south parking area.

Other Data: This unit has the exclusive right to use the west and north decks adjacent to it, the identified parking stall below it and the identified storage room at the end of the parking stall.

Storage Room

Approximate Area: 200 square feet

Location: The storage room is located on the ground floor, just on the south end of building C, inside the carport area.

BUILDING “Maintenance Shop”

The maintenance shop is a single-story building with two rooms. The primary entry is through the personnel door on the west end and the entry to the second, east room is through a personnel door on the wall between the two rooms. Both rooms have rollup, 8 ft wide doors on the south side.

Approximate area: 1050 square feet.

Location: The maintenance shop is located directly east of building A, across the parking lot and 40 feet down a walkway.

ARTICLE V

DESCRIPTION OF COMMON AREAS & FACILITIES

The common areas and facilities consist of the following:

- a) The land above described on which the buildings are situated and several surrounding parcels
- b) The concrete foundations, columns, girders, beams, supports, main walls (excluding non-bearing interior partitions of units), and all other structural parts and roof of building.
- c) The walkways, stairways, entrances and exits of the building.
- d) The gardens, walkways, driveways and parking areas around the buildings.
- e) The installations of central services such as power, light, water, cable TV distribution, and Wi-Fi internet access points.
- f) The covered deck to the east of building A (referred to as the Clam Shack) together with the lighting and plumbing thereof used for cleaning of clams.

ARTICLE VI

DESCRIPTION OF LIMITED COMMON AREAS & FACILITIES

The limited common areas are:

- a) The ground level storage rooms in building B & C, and the building A, second floor (south end) service/storage room are for the exclusive use of the managing agent or the HTCA Board of Directors for utility distribution, storage and maintenance.
- b) The maintenance shop is for the exclusive use of the HTCA Board and maintenance employees/contractors for maintenance and repair of the buildings and grounds.
- c) The decks adjacent to the units are reserved for the exclusive use of the adjacent unit.
- d) The HTCA Common Use Area located in Building “A” is designated as a Common Element and is not classified as a unit for ownership allocation or voting purposes and may be leased or otherwise utilized as approved by HTCA membership.

- e) The Utility room, laundry room, and associated bathroom (1/2 bath).

ARTICLE VII

PERCENTAGE OF UNDIVIDED INTEREST IN COMMON AREAS

This condominium consists of thirty-three privately owned units and related common and limited common areas. The total value when built was \$1,595,400.00. The HTCA Residential Use Area located in Building A is not classified as a unit for the purposes of ownership allocation and does not carry any percentage of undivided interest. It is instead a Common Element administered by the Association for operational purposes, including potential rental, subject to HTCA membership decisions.

The percentage of undivided interest in the common areas and facilities, which percentage attaches to each specific unit and its owner for all purposes including voting, is, for each of the units:

BUILDING “A”

Unit	Value when First Built	Percent age
HTCA Residential Unit A	unknown	---
A-1	\$35,000.00	3.03
A-2	35,000.00	3.03
A-3	35,000.00	3.03
A-4	35,000.00	3.03
A-5	35,000.00	3.03
A-6	37,500.00	3.03
A-21	36,700.00	3.03
A-22	36,700.00	3.03
A-23	36,700.00	3.03
A-24	36,700.00	3.03
A-25	36,700.00	3.03
A-26	36,700.00	3.03
A-27	38,500.00	3.03

BUILDING “B”

Unit	Value when First Built	Percent age
B-7	\$48,900.00	3.03
B-8	48,900.00	3.03
B-9	48,900.00	3.03
B-10	48,900.00	3.03
B-11	68,900.00	3.03
B-28	48,900.00	3.03
B-29	48,900.00	3.03
B-30	48,900.00	3.03
B-31	48,900.00	3.03
B-32	68,900.00	3.03

BUILDING “C”

Unit	Value when First Built	Percent age
C-12	\$72,900.00	3.03
C-13	52,900.00	3.03
C-14	52,900.00	3.03
C-15	52,900.00	3.03
C-16	72,900.00	3.03
C-33	72,900.00	3.03
C-34	52,900.00	3.03
C-35	52,900.00	3.03
C-36	51,900.00	3.03
C-37	76,900.00	3.03

ARTICLE VIII SERVICE OF PROCESS

Service of legal process shall be made upon the Association’s registered agent as designated in the records of the Secretary of State, or if no such person exists then on the Association’s current President.

ARTICLE IX

OWNERS ASSOCIATION AND VOTING

- (a) Each Owner of a Unit shall be a member of the Association and shall be entitled to one (1) membership for each Unit so owned; provided that, if a Unit has been sold on contract, the contract purchaser shall exercise the rights of the Unit Owner for purposes of the Association, this Declaration and the Bylaws, except as hereinafter limited. Ownership of a Unit shall be the sole qualification for membership in the Association.

The Association membership of each Owner shall be appurtenant to the Unit 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 Unit, and then only to the transferee of title to such Unit. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Unit shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

- (b) The total voting power of all owners shall be 100 votes. Each unit's voting power is equivalent to the percentage of undivided interest in the common areas and facilities appertaining to such unit, as specified in this Declaration. Voting rights are allocated proportionally based on ownership, without limitation on the total voting power exercisable by any individual owner or related group of owners.
- (c) There shall be one voting owner or agent for each unit. This voting owner or agent must be designated by the owner or owners of a unit through written notice signed by each party with an ownership interest, which notice shall be filed with the Board or Managing Agent. The voting agent need not be an owner. Designation of a voting owner or agent can be revoked at any time by any of the parties with an ownership interest in the unit, upon written notice filed with the Board or Managing Agent. Such designation is deemed revoked upon receipt by the Board or Managing Agent of actual notice of the death, judicially declared incompetency of an owner, or the conveyance of their unit. In cases where no designation is made, or a designation is made but later revoked without a new designation, and when there is more than one owner, the voting owner shall be considered the group composed of all owners of the unit. Any or all of these persons may attend any meeting of the owners, and if acting unanimously, may cast the votes to which their unit is entitled.

If at any time a single owner or a related group of owners comes to possess more than ten percent (10%) of the total voting power of the Association, that owner or group shall provide written disclosure to the Board. If such ownership later falls to or below 10%, a

similar disclosure shall be made to the Board within thirty (30) days of the change. Once the Board is notified, it shall in turn notify the membership:

- at the next scheduled meeting of the Association **and**
- **before each membership vote**, by including the disclosure in the voting notice or agenda materials.

This disclosure requirement is informational only. It shall not limit the voting rights of any owner or entity and is intended solely to promote transparency and community awareness.

- (d) Mortgage” means a mortgage or deed of trust that creates a lien against a unit, and also means a real estate contract for the sale of a unit.
- (e) “Mortgagee” means the beneficial owner, or the designee of a beneficial owner, of an encumbrance on a Unit created by mortgage or deed of trust, and also means the vendor of a real estate contract for the sale of a Unit. A Mortgagee of the condominium and a Mortgagee of a Unit are included within the definition of Mortgagee. The owners of a unit may pledge their vote regarding special matters to a mortgagee of the unit. In the event the owner or owners have pledged their vote regarding special matters to a mortgagee, and if in addition a copy of such mortgage with a statement of the special items respecting which the vote is pledged is filed with the Managing Agent or Board, only the vote of the mortgagee or its agent will be recognized in regard to the special matters upon which the vote is so pledged. Amendments to this paragraph shall only be effective on the written consent of all the voters and their respective mortgagees, if any.
- (f) In the event of a contract sale of a unit, the contract purchaser shall be the party entitled to cast a vote for the unit unless the contract specifically reserves the voting power regarding special matters to the vendor and a copy of the contract with a statement of special items as to which the vote is reserved is filed with the Managing Agent or Board, in which case, only the vote of the vendor or his agent will be recognized with regard to the special matters so reserved. Amendments to this paragraph shall only be effective upon the written consent of all the voting owners and their respective vendors, if any.

ARTICLE X

BUDGET RATIFICATION

(a) **Board Proposal and Notice**

- i. Within 30 days of adopting a proposed budget, the Board will provide all unit owners with a copy of the budget and set a date for a meeting to consider ratification.
- ii. The meeting must occur no sooner than 14 days and no later than 50 days after the budget is delivered to the owners.

(b) Ratification Process

- i. The budget is automatically ratified unless a majority of unit owners, or a larger percentage specified in the declaration, vote to reject it at the meeting, regardless of quorum.
- ii. If the budget is rejected or notice is not properly given, the last ratified budget continues until a new one is approved.

(c) Budget Contents

The budget must comply with RCW 64.90.525 and any amendments or successor provisions. It must include:

- i. The projected income and expenses, categorized.
- ii. The amount of assessments per unit and the due dates.
- iii. Contributions to the reserve fund
- iv. A statement regarding the reserve study and whether the budget meets its recommendations.
- v. Any reserve funding surplus or deficit, expressed on a per unit basis.

(d) Special Assessments

- i. The Board may propose a special assessment at any time, following the same procedure as for budget ratification.
- ii. The Board may offer the option of installment payments or a discount for early payment.

(e) Compliance with Future Amendments

The purpose of this Article X is to comply with the statutory requirements applicable to the Association, including at the time of adoption RCW 64.90.525. In the event of amendments or changes to the applicable law that are inconsistent with this Article X, the Association shall comply with such amendments or changes.

ARTICLE XI

QUORUM - OWNERSHIP MEETINGS

(a) Quorum

A quorum for any meeting of the unit owners, either in person or by proxy, shall consist

of the presence of owners or their agents representing at least ten percent (10%) of the total voting power. If a quorum is not present, those present may adjourn the meeting and provide notice of a reconvened meeting. At the reconvened meeting, the presence of owners representing ten percent (10%) of the total voting power shall constitute a quorum. If a quorum is still not met, the owners present may adjourn the meeting again, and at the second reconvened meeting, any number of owners present shall constitute a quorum; provided that notice of the time and place of the reconvened meeting must be provided to the members entitled to vote at least twenty-four hours before the reconvened meeting.” (See RCW 24.03A.410(7).)

(b) Annual Meetings

An annual meeting of unit owners shall be held in the first half of each year. Notice of the meeting shall be provided to owners not less than fourteen nor more than fifty days in advance of the meeting.

(c) Special Meetings

An association must hold a special meeting of unit owners to address any matter affecting the common interest community or the association if its president, a majority of the board, or unit owners having at least 20 percent of the votes in the association request that the secretary call the meeting. Notice of the meeting shall be provided to owners not less than fourteen nor more than fifty days in advance of the meeting.

ARTICLE XII NOTICES

(a) Notice Delivery

Notices required under this Declaration may be delivered by personal service, U.S. mail, or electronic transmission, provided the owner has given prior written consent to electronic delivery. Consent may be revoked at any time by written notice to the Board or Managing Agent.

If delivered by mail, notice is deemed effective five days after deposit in the U.S. mail, postage prepaid, addressed to the owner's last address on file.

If delivered electronically, notice is deemed received once it enters the owner's designated system for receiving such transmissions, provided written consent has been received by the Association in advance. If electronic delivery fails, notice shall be resent by mail.

(b) Notices to Mortgagees

Upon written request, the vendor, mortgagee, or deed of trust beneficiary of any unit is entitled to receive copies of notices regarding that unit for up to ten (10) years, unless the request is withdrawn or the security right changes.

ARTICLE XIII

BOARD OF DIRECTORS OF THE HI-TIDE CONDOMINIUM ASSOCIATION

(a) Composition

- i. The Board of Directors shall consist of no fewer than three (3) and no more than five (5) members, as determined in accordance with the Bylaws.
- ii. Individual owners, general partners, or officers of corporations with ownership interests in units are eligible for election.
- iii. The number of Directors shall be set from time to time by resolution of the Board and shall remain in effect until changed by a subsequent resolution, provided that any change in the number of Directors shall be subject to ratification by the unit owners at the next annual meeting. The number of Directors shall not be changed between the close of nominations and the conclusion of the election at any membership meeting.

(b) Term

- i. Members of the Board shall serve staggered two-year terms. If a vacancy is filled at a meeting of the membership, the newly elected member shall serve the remainder of the unexpired term associated with that seat. The Association may implement seat numbering by Bylaw to maintain staggered terms.
- ii. Any member appointed to fill a vacancy shall serve until a successor is elected by the membership to complete the unexpired term.

(c) Removal

- i. Board members may be removed by a vote of the unit owners at a special meeting called for that purpose.

Unit owners present in person, by proxy, by means of communication as permitted by law, or by absentee ballot, at any meeting of the unit owners at which a quorum is present, may remove any board member or officer elected by the unit owners, with or without cause. Removal requires that the number of votes cast in favor of removal by unit owners entitled to vote for the election of that individual be at least the lesser of: (a) a majority of the total votes in the Association held by such unit owners, or (b) two-thirds of the votes cast by such unit owners at the meeting. However, no vote to remove a board member or

officer may occur unless that subject is specifically listed in the notice of the meeting.

(d) Powers and Duties

- i. The Board of Directors shall act on behalf of the Association in all matters except those reserved to the owners by this Declaration or by law. Its powers and duties include, but are not limited to:
 - (a) Adopting and amending budgets and levying assessments;
 - (b) Collecting assessments, enforcing liens, and taking action to recover unpaid amounts;
 - (c) Hiring, managing, and terminating managing agents, contractors, and employees;
 - (d) Adopting and enforcing rules governing use of Units and Common Elements;
 - (e) Initiating, defending, or settling litigation and administrative proceedings;
 - (f) Regulating the use, maintenance, repair, and replacement of Common Elements;
 - (g) Preparing and distributing financial statements and Association disclosures;
 - (h) Borrowing money and granting security interests in Association assets;
 - (i) Purchasing insurance and directing the adjustment of claims;
 - (j) Granting easements, licenses, and leases affecting the Common Elements;
 - (k) Imposing charges for late payments and enforcing other owner obligations;
 - (l) Approving or disapproving exterior alterations as permitted by this Declaration;
 - (m)Appointing committees and delegating authority to them;
 - (n) Adopting policies for operation, financial management, and conflict resolution;

- (o) Regulating the use, maintenance, repair, and replacement of the Common Areas, and to make expenditures for such purposes in the ordinary course of operation. This authority does not extend to capital additions or improvements in excess of the dollar threshold set forth in this Declaration, which requires approval of the owners.
- (p) Exercising all other powers necessary and proper for the governance and operation of the Association.

(e) Board Proceedings

- i. Quorum: A quorum is met with a majority of members present.
- ii. Decisions require a majority vote when a quorum is present.
- iii. The board may act without a meeting by unanimous written consent from all members.

(f) Indemnification of Board Members

Each Board member, Association committee member or Association officer, the Declarant and the Manager shall be indemnified by the owners against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which they may be a party, or in which they may become involved, by reason of being or having held such position at the time such expenses or liabilities are incurred, except in such cases wherein such person is adjudged guilty of intentional misconduct or a knowing violation of the law in the performance of their duties, and except in such cases where such person has participated in a transaction from which said person will personally receive a benefit in money, property or services to which said person is not legally entitled. Provided that, in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association.

(g) Limitation of Board and Association Liability

Except to the extent covered by insurance obtained by the Board pursuant to this Declaration, neither the Association, the Board nor the Manager 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 arising from, without limitation, electricity, noise, smoke, water, rain (or other liquid), dust or sand which may lead or flow from outside or from any part of the condominium, or from any of its pipes, drains, conduits, appliances or equipment, or from any other places; 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.

(h) Insurance

The Board shall maintain policies of insurance as provided in these Articles, as required by law, and as it otherwise deems necessary or appropriate.

(i) Delegation to Managing Agent

- i. The Board may delegate duties to a managing agent or agents for the administration and operation of the HTCA and/or the condominium.
- ii. The Board shall have the right to retain or discharge any managing agent or agents as it determines desirable in its discretion.

(j) Financial Management Principles

The Board shall ensure that the Association's financial resources are managed with prudence, transparency, and in accordance with sound accounting practices. In managing the Association's funds, the Board shall:

- (a) Maintain distinct accounting for operational, reserve, and other designated funds, with each fund used solely for its intended purpose and accounted for separately;
- (b) Promote long-term financial sustainability, including maintaining adequate reserves to support future repairs and capital replacements;
- (c) Exercise fiscal responsibility by balancing current needs with long-term obligations, engaging appropriate financial professionals as necessary;
- (d) Retain flexibility to adjust financial practices over time, provided such adjustments remain consistent with these principles and applicable law.

ARTICLE XIV

ALTERATIONS, ADDITIONS, AND IMPROVEMENTS – LIMITATIONS

(a) Expenditure Limitations

the Board shall have no authority to make or arrange for any expenditure with a total cost in excess of fifteen thousand dollars (\$15,000.00) without first obtaining the affirmative vote of a majority of the owners entitled to vote. Approval of the annual budget shall not be deemed approval of any such expenditure.

(b) Exceptions for Safety, Structural Integrity, and Reserve Study Items

Expenditures that are necessary for safety or structural integrity of the Buildings and Common Areas, or that are included in the Reserve Study, shall not be deemed alterations, additions, or improvements. Such expenditures are governed by Section 14(f) and do not require prior approval from the owners.

(c) Annual Budget and Routine Maintenance

Any expenditures that have been approved as part of the Association's annual budget do not require a separate vote of the owners, regardless of the amount. This includes routine maintenance and repair projects, as well as any issues that arise during the year that were anticipated and budgeted for in the annual budget.

(d) Unforeseen Maintenance and Emergencies

For maintenance issues or emergencies that arise unexpectedly and are necessary to protect the safety, structural integrity, or appearance of the Buildings and Common Areas, the Board may authorize expenditures without prior owner approval. The Board shall notify the owners of such expenditures and explain the necessity of the repairs.

(c) Structural Alterations to Units

Any modifications to the common areas, structural alterations to individual units or changes to unit configuration are require the prior written approval of the Board. And are governed by this Declaration and must follow any procedures outlined herein.

ARTICLE XV

COMMON EXPENSES, ASSESSMENTS, AND COLLECTION

(a) Annual Budget and Assessment Calculation

Each year, the Board shall prepare and adopt a budget for the Association, including anticipated operating income and expenses such as maintenance, insurance, utilities, and contingencies. The Board shall also establish a reserve funding plan, which may include scheduled transfers from the operating account to the reserve account.

Each owner shall be assessed their share of the common expenses based on their percentage of ownership interest. If actual expenses exceed budgeted amounts, the Board may levy additional assessments using the same allocation method.

(b) Protection of Reserve Contributions

Planned contributions to the reserve account, as adopted in the Association's reserve funding plan, shall be transferred in full and on schedule unless formally amended by the Board. The Board may not reallocate reserve funds to cover operational shortfalls or other expenses except through formal amendment of the reserve funding plan.

(c) Payment of Assessments

Owners shall be assessed their share of common expenses annually, with the option to pay in full or quarterly. Payments are due on the first day of each quarter (or as otherwise

determined by the Board). Owners must submit payments to the Treasurer or Managing Agent, or as otherwise determined by the Board.

(d) Late Payments and Penalties

If any assessment is not received within thirty (30) days after its due date, a mandatory late fee of one hundred dollars (\$100.00) per unit shall be imposed. For each additional calendar month the balance remains unpaid, an additional late fee of one hundred dollars (\$100.00) per unit shall be added. These penalties are mandatory and may not be waived, reduced, or suspended by the Board.

The Board may approve a one-time waiver or extended payment plan if the owner submits a written request documenting extenuating circumstances before the first or second late fee accrues. The burden is on the owner to request relief; no waiver shall be considered unless timely submitted in writing.

(e) Enforcement, Collection of Assessments, and Foreclosure

The Association has a lien on any unit for unpaid assessments from the time the payment is due. This lien exists automatically without the need for formal action by the Association. However, if an owner becomes delinquent, the Board or Managing Agent may take steps to enforce the lien, including initiating legal action, imposing a lien notice, or filing for foreclosure.

If foreclosure is initiated, the owner shall pay the Association the reasonable rental value of the unit during the foreclosure process. The Board may appoint a receiver to manage the unit, collect rental income, refurbish the unit as necessary, and apply the rental proceeds toward outstanding debts, including unpaid assessments, attorney's fees, and public charges.

Any legal fees or costs incurred in the collection or foreclosure process shall be added to the amount due. Liens for unpaid assessments take priority over all other liens except for mortgages recorded prior to the lien and real property taxes.

(f) Security Deposit for Delinquent Units

If an owner becomes delinquent in paying assessments, the Board may require the owner to provide a security deposit of up to three months' worth of assessments. This deposit will be held in a separate account and used to cover any future unpaid assessments. If the owner brings their account current and remains in good standing for a period determined by the Board (e.g., 12 consecutive months without delinquency), the deposit will be returned to the owner. If any part of the deposit is used to cover unpaid assessments, the owner must replenish the deposit upon request.

(g) Record-Keeping and Transparency

The Board or Managing Agent shall maintain complete and accurate records of all receipts and expenditures. These records shall be available for review by any owner upon reasonable request. At least once per year, the Board shall provide each owner with a summary statement of income and expenses for the prior fiscal year.

(h) Statement of Unpaid Assessments

Upon written request from a unit owner, mortgagee, or prospective buyer, the Board shall provide a statement detailing any unpaid assessments for the specified unit. The statement must be provided within 15 days of the request and may be subject to a reasonable fee, not exceeding \$150.00. Once issued, the statement is binding on the Association, meaning the amounts listed are considered final and enforceable unless proven to be inaccurate.

(i) Remedies are Cumulative

The remedies provided in this article are cumulative, and the Board may pursue multiple remedies concurrently, including foreclosure, legal action, liens, and other available options under law.

ARTICLE XVI
MORTGAGE PROTECTION

- (a) **Lien Subordination:** Any liens created by this Declaration on a unit for unpaid assessments shall be subordinate to the rights of any mortgage or deed of trust recorded in good faith and for value. After foreclosure, any purchaser shall be subject to a new lien for assessments accruing after the sale.
- (b) **Condominium Status:** The Association shall not abandon the condominium status of the property without the consent of all institutional first mortgagees or first deed of trust beneficiaries.
- (c) **Partition and Subdivision:** The Association shall not partition or subdivide any unit or common elements, nor accept any proposals to do so, without prior approval from all institutional first mortgagees or first deed of trust beneficiaries of any affected unit.
- (d) **Changes to Interest and Assessments:** The Association shall not change the percentage interest used for levying assessments, charges, or determining shares in the common elements without prior approval from all institutional first mortgagees or first deed of trust beneficiaries.

- (e) **Amendments:** Any amendment to this Declaration that affects the rights of mortgagees shall require written consent from the affected mortgage holder before it is effective.

ARTICLE XVII

OWNER'S OBLIGATION TO REPAIR

- (a) Each unit owner is responsible, at their own expense, for maintaining their unit in good repair and in a clean, sanitary condition. This includes interior painting, redecorating, and upkeep necessary to preserve the unit's appearance and functionality.

Owners are responsible for the maintenance, repair, and replacement of all components and systems located within the boundaries of the unit as defined in this Declaration, including but not limited to any item serving only that unit - even if it extends beyond the physical boundaries of the unit. Such items include, without limitation: plumbing fixtures and piping, water heaters, HVAC equipment, electrical wiring and fixtures, appliances, and other components serving that specific unit exclusively.

- (b) Owners must also maintain any assigned lanais and parking spaces in a clean and sanitary condition at their own expense. The Association and/or Managing Agent are not liable for any loss or damage, including theft, of items stored by the owner in a storage space, parking space, or unit.
- (c) Owners may not modify, paint, or decorate any exterior portion of the building, common area, deck, or parking space without prior written consent from the Board. To preserve a uniform architectural appearance, the Board shall regulate the type and color of paint used for lanais and shall contract for the painting of all lanais as a common expense.
- (d) Owners are solely responsible for insuring any improvements, fixtures, or interior elements within their units, including those not covered by the Association's insurance.

ARTICLE XVIII

PROVISIONS REGARDING MODIFICATION OF UNITS – SUBDIVIDING AND COMBINING

(a) **Structural Changes**

- i. No owner shall make any structural alterations, improvements, or additions to their unit without the prior written consent of the Board. This includes any modifications that affect the exterior of the building, common areas, or any other structural elements that may impact the condominium property as a whole.

ii. **Routine Interior Modifications:**

Owners are permitted to carry out routine interior modifications (such as painting, replacing flooring, or updating fixtures) without Board approval, provided these changes do not affect the structural integrity, safety, or exterior appearance of the unit. Any modification involving plumbing, electrical, or structural changes must be submitted to the Board for review and approval.

iii. **Board Approval:**

Written approval from the Board must be obtained for any major alterations, including changes to load-bearing walls, additions to the unit's structure, or alterations that impact the common areas. Owners must provide detailed plans and specifications as part of their proposal.

(b) **Impact on Structural Soundness and Safety**

No owner may undertake any modification or alteration that would impair the structural soundness or safety of the building, nor interfere with existing easements, without the prior written consent of the Board and, where applicable, the written consent of all unit owners.

(c) **Emergency and Safety Considerations**

The Board reserves the right to enter any unit to ensure that modifications are compliant with safety standards and building codes. If modifications are found to pose a safety hazard or compromise the structural integrity of the building, the Board may require immediate remedial action at the owner's expense.

(d) **Subdividing/Combining Units**

i. **Proposal and Plans:**

Any owner seeking to subdivide or combine units must submit a detailed proposal, including plans and specifications prepared by a registered architect, engineer, or surveyor, to the Board for review. The proposal must also include a proposed amendment to the Declaration and demonstrate how the owner's percentage of undivided interest in the common areas will be maintained. The Board may consider the potential impact on neighboring units, including rental intensity, when reviewing a proposal to combine units.

ii. **Owner Approval:**

The Board must approve the proposal and distribute it to all unit owners. A supermajority of the total voting power of the Association is required to approve any subdivision or combination of units. Once approved, the Survey Map, Plans, and Declaration must be amended and recorded in accordance with local laws. All costs associated with the proposal, including legal, architectural, surveying, and recording expenses, shall be borne entirely by the applicant.

(e) Unauthorized Modifications – Fines and Compliance

i. Unauthorized Changes:

Any owner who undertakes structural modifications without required approval shall be subject to a mandatory fine of \$1,000.00 per month, per violation, until the owner submits compliant plans and receives formal approval, or fully restores the unit to its prior condition at their own expense. These fines are automatic and non-discretionary, and shall not be waived, reduced, or suspended by the Board.

The Board may adopt additional enforcement rules, fine schedules, or appeal procedures by rule or policy, provided such policies do not reduce the minimum fines or delay their accrual under this section.

ii. Compliance and Remediation:

If an unauthorized modification compromises the building's safety or structural integrity, the Board may require the owner to remove or alter the changes at their own expense. Failure to comply will result in the Board taking remedial action, with all costs, including legal fees, assessed to the owner.

(f) Ongoing Maintenance and Access

i. Owners are responsible for ongoing maintenance of any modifications they make, ensuring that these changes remain compliant with the building's structural integrity and safety standards.

ii. Access for Inspections:

The Board or its agents may enter any unit for the purpose of inspecting modifications to ensure compliance with the approved plans and safety regulations. Entry will be made with reasonable notice, except in the case of an emergency, where access may be immediate.

ARTICLE XIX

LIMITATION ON USE OF UNITS AND COMMON AREA

Occupancy and Use

The units and common areas (including limited common areas) shall be used and occupied as follows:

- (a) No owner shall use or allow their unit to be used for any purpose other than as a private, single-family residence for the owner, their family, lessees, or guests, except as otherwise provided in this Declaration.

- (b) Any home-based business conducted from a unit must comply with all zoning requirements, remain undetectable by sight, sound, or smell from outside the unit, and place no undue burden on the infrastructure of the building or common property. Traffic must be kept to a minimum, with no more than two vehicles at the premises at any time. The Board may impose additional fees for home-based businesses to offset increased maintenance, utility use, and liability exposure.
- (c) There shall be no obstruction of the common area. No items shall be stored in the common area without the prior consent of the Board.
- (d) Nothing shall be done or kept in any unit or common area that would increase the insurance rate on the common area, without prior written consent from the Board. Owners may not allow any activity or condition in their unit or the common area that would result in the cancellation of insurance or violate any law. Common areas must be kept clean and free of waste.
- (e) No sign of any kind may be displayed to the public view from any unit or the common area without the prior written consent of the Board, except for political signs as and when permitted by law.
- (f) No animals, livestock, poultry, or reptiles of any kind shall be raised, bred, or kept in any unit or the common area, except for dogs, cats, or other household pets, subject to rules and regulations adopted by the Board. The Board or Managing Agent may require the removal of any animal that in their determination, poses a health or safety risk, creates a nuisance, or violates applicable rules.
- (g) No activity shall be carried out in any unit or common area that creates a nuisance or disturbance affecting the health, safety, or quiet enjoyment of other residents. This includes, but is not limited to, excessive noise, odors, vibrations, or activities that pose a fire hazard or violate local laws and ordinances. The Board may determine whether a particular activity constitutes a disturbance and take appropriate enforcement action.
- (h) The Board may adopt rules regarding the above use limitations for both units and common areas. Owners must comply with all rules adopted by the Board, which will be furnished in writing.

ARTICLE XX

RENTAL OF UNITS BY OWNERS

Purpose and Scope

This section outlines the conditions under which unit owners may engage in the rental of their respective units. Rentals of units are permitted under this Declaration, provided the unit is enrolled in the Association's authorized rental program and remains in compliance with all applicable requirements.

(a) Continuation of Prior Restrictions

The rental restrictions set forth in this Declaration continue the substance and structure of prior recorded CC&Rs, which have long required that unit rentals occur only through the Association's designated rental group (known as the Hi-Tide Condominium Resort) and not by individual owners acting independently. These provisions do not impose a new restriction on use but preserve and formalize the administrative authority of the Board and its designated Rental Committee to ensure continuity of operations and consistent standards.

These prior restrictions are recorded under Grays Harbor County Auditor's File Nos. 137077 (1978), 810112009 (1981), 840224015 (1984), 880603039 (1988), 900515074 (1990), and 06130018 (2005).

(b) Rental Authorization and Oversight

Owners may rent their units only as permitted by this Declaration and applicable law. All rental activity shall be administered through the HTCA Rental Committee if one is in place, or by the Board if the Committee is not active.

(c) Board Control and Approval

All rentals are subject to the approval of the HTCA Board of Directors. The Board reserves the sole authority to approve or deny any rental agreements, and no rental activity may proceed without written Board approval. The Board may establish a Rental Committee to handle the day-to-day facilitation of rentals, and all rental activities must adhere to the rules and agreements established by this committee and subsequently approved by the Board. The Board may adopt a formal charter or operating guidelines for the Rental Committee, outlining its responsibilities, procedures, and criteria for approving rental activity.

The Board or Rental Committee may deny, suspend, or revoke rental privileges for any unit that is not in compliance with applicable rental rules, insurance requirements, safety standards, or other legal obligations. Suspension or revocation shall remain in effect until the deficiency is remedied and verified by the Board.

(d) Rental Committee and Oversight

- i. **Formation of the Rental Committee:** The HTCA Board may form a Rental Committee, consisting of a minimum of three-unit representatives and one Board Director. The Committee will facilitate the rental process in accordance with community standards and the guidelines established by the Board.
- ii. **Committee Authority:** The Rental Committee shall be responsible for approving rental agreements, managing interactions with service providers (e.g., Goldener, Vacasa; Airbnb, etc.), and ensuring compliance with local, state, and federal regulations. The Committee will also oversee the collection of rental-related fees. Unless otherwise specified by the Board, all recommendations, policies, and agreements made by the Committee must be ratified by the Board before becoming effective.
- iii. **Reporting:** The Committee must report regularly to the Board, providing updates on rental activities and any issues that arise. The Committee is also responsible for keeping all rental agreements, contracts, and policies on file and up to date with the Board.
- iv. **Board Oversight of Committee Decisions:** The Rental Committee may be delegated authority to administer and make determinations under the rental program. However, all such decisions shall remain subject to Board oversight, and the Board shall retain the right to review, affirm, or reverse any Committee decision. The Board may establish procedures for review or appeal, and all final decisions shall be deemed actions of the Board for purposes of enforcement, insurance, and governance.
- v. **Disbanding the Committee:** In the event the Rental Committee disbands or is dissolved, all rental oversight and responsibilities will revert to the Board according to law and these CC&Rs. Existing rental agreements shall be honored by the Board until a new Rental Committee is formed, unless those agreements are inconsistent with law or these CC&Rs.

(e) Individual Rentals

- i. **In dividual Rentals in the Absence of a Rental Committee:** If no Rental Committee is in place, owners may apply for individual rental agreements with the Board. The process for approval may be more stringent, and rentals may be subject to additional fees and conditions set forth by the Board, consistent with law and these CC&Rs. New applications shall be approved only if consistent with this Declaration, applicable law, and the rental program terms and conditions most recently in effect.

(f) Fee Structure Implementation

- i. **Additional Costs for Rentals:** Recognizing that rental activity increases administrative workload and use of common services, the Board may establish a

reasonable fee structure to offset costs directly related to the rental of units. These fees may include charges for processing rental applications, managing renter compliance, and use or wear of common elements associated with rental turnover. The rental fee structure shall apply to all rental activities and may be updated from time to time by Board policy, consistent with law.

- ii. **Notice of Fee Changes:** Owners will be notified of any changes to the fee structure in a timely manner. All fees will be consistent with other association policies on fees and assessments.

(g) Rental Agreement Requirements

- i. **Committee Agreements:** If a Rental Committee is in place, owners may only rent their units through the Committee, adhering to the agreement, which must be consistent with law and these CC&Rs, and approved by the Board.
- ii. **Service Provider Agreements:** The Rental Committee, on behalf of the Board, may negotiate terms with rental service providers (e.g., VRBO, Airbnb). Owners are prohibited from negotiating independently with these service providers unless specifically authorized by the Committee or the Board.
- iii. **Compliance:** All rental agreements must comply with current and future local, county, state, and federal regulations. Additionally, renters must adhere to the HTCA rules and policies, and owners are responsible for ensuring their guests comply with these regulations.

(h) Liability Insurance Requirement for Rental Units

Any owner who rents or leases their unit must provide proof of liability insurance with coverage limits as determined by the Board. This insurance must be specifically designed to cover risks associated with rental activity (commonly referred to as 'rental insurance') and must include coverage for property damage and bodily injury caused by the tenant or their guests. The policy must name the Hi-Tide Condominium Association as an additional insured and provide a minimum of \$1,000,000 in coverage (or such other limit as set by the Board from time to time). Proof of such insurance must be submitted to the Board or Managing Agent prior to the commencement of any rental agreement and updated annually. Failure to comply will result in fines as specified in the Compliance and Penalties section.

This requirement aligns with RCW 64.37.050 and RCW 19.27.530, which establish \$1,000,000 as a minimum standard for liability coverage related to short-term rental and residential operations.

(i) Compliance and Penalties for Rental Activity

- i. Non-Compliance: Owners renting without Committee or Board approval, or in violation of established rules, shall be subject to fines and charges. These may include:
 - 1. A mandatory fine of \$2,500.00 per month for unauthorized rentals, which may not be waived except as permitted by Board policy.
 - 2. Reimbursement for damages or unpaid fees, assessed in accordance with the Association's rental rules and fine schedule.
- ii. Late Charges: An additional late fee of \$1,000.00 per unit shall be assessed if any fine or charge remains unpaid 15 days after its due date.
- iii. Foreclosure and Legal Action: If an owner remains in non-compliance or delinquent for more than 90 days, the Board may initiate foreclosure proceedings, including the collection of attorney's fees and legal costs.

(j) Maintenance Access

All rental agreements must include provisions granting the Association access to the unit for maintenance, repairs, and emergencies. The Association will coordinate access with renters through the front office or a designated contact. See also Article XXII regarding access procedures applicable to all units.

(k) Enforcement and Collection

The Board or Managing Agent will take prompt action to enforce rental policies, collect unpaid fees, and address violations. Non-compliance will result in legal action or other remedies as outlined in these CC&Rs.

(l) Enforcement Procedure

Before the Board or Rental Committee may suspend, revoke, or deny rental privileges, or impose fines under this Article, the affected owner shall be provided with written notice of the violation and a reasonable opportunity to be heard. The notice shall state the nature of the alleged noncompliance and the proposed action. The owner shall have no fewer than fifteen (15) days from the date of notice to submit a written response or request a hearing, which may be held in executive session.

After reviewing the response, if any, the Board or Committee may proceed with enforcement. All decisions shall be made in good faith and documented in the Association's records. Nothing in this section limits the Board's ability to take emergency action to prevent harm to persons or property.

(m) Long-Term Rentals (One Year or More)

- i. Exemption from Short-Term Rental Restrictions: Rentals of one year or more (long-term rentals) are exempt from the Rental Committee's oversight and may be

approved directly by the Board, provided the rental agreement is submitted to the Board for review and complies with all local, state, and federal laws.

- ii. Reduced Fee Structure: Long-term rentals may be subject to a reduced or waived rental fee, as determined by the Board, reflecting the lower impact on common areas and community resources compared to short-term rentals.
- iii. Compliance with Association Rules: All long-term renters must adhere to the Association's rules and regulations. Owners are responsible for ensuring their tenants are informed of and comply with these rules.

ARTICLE XXI

ACCESS TO UNITS AND SECURED AREAS

- (a) The Board or its agents may enter any unit, storage space, or other locked area when necessary for any maintenance, safety concern, landscaping, inspection, or construction for which the Board is responsible, or to inspect or perform work the owner is responsible for but has failed to complete after notice.

Such entry shall be made with as little inconvenience to the owners as practicable. Any damage caused to a unit during such access shall be repaired by the Board out of the common expense fund if the entry was for the purpose of maintenance or repairs to Common Areas or another unit where the Board or its agents have a key or other access method.

- (b) All owners are required to provide the Board with a key, code, or other method for accessing any unit, storage space, or locked area under their control. This access is mandatory for both emergency situations and for routine maintenance when required. No owner is exempt from this requirement.
- (c) In the event a unit is being rented, the Board shall coordinate entry with both the owner and any rental manager to ensure minimal disruption. All rental agreements must include provisions granting the Board access for maintenance and emergencies.
- (d) If an owner fails to provide the Board with a key or other access method by the deadline set by the Board, the following penalties will apply:
 - i. A fine of \$100 per month will be assessed until compliance is achieved.
 - ii. In the event of an emergency or necessary access for maintenance, the Board will have the right to force entry at the owner's expense for any damages or costs associated with gaining access.

- (e) The Board will establish a secure system for holding and using keys or access codes to ensure that entry procedures are handled appropriately and with respect for the owner's property.

ARTICLE XXII

FAILURE OF BOARD TO INSIST ON STRICT PERFORMANCE - NO WAIVER

- (a) The failure of the Board or Managing Agent to enforce any of the terms, covenants, conditions, or restrictions of this Declaration, or to exercise any right or remedy provided herein, shall not be construed as a waiver or relinquishment of the right to enforce such term, covenant, condition, or restriction in the future. Any such provision shall remain in full force and effect.
- (b) The receipt of payment from an owner by the Board or Managing Agent, with knowledge of a violation of this Declaration, shall not be deemed a waiver of the violation. Any waiver by the Board or Managing Agent must be expressed in writing and signed by an authorized representative of the Board or Managing Agent to be effective.

ARTICLE XXIII

INSURANCE

Statement of Intent

This Article is intended to comply with the provisions of RCW 64.90.470 and related statutes, and to ensure the Association remains insurable in a commercially reasonable market. If market conditions make certain coverage unavailable, the Association shall not be deemed in breach of this Declaration.

General Requirements

- (a) Scope of Association Insurance Coverage
 - i. The HTCA will not insure any improvements, betterments, or interior components of individual units. The Association will not carry insurance covering any portion of the interior boundaries of units, including interior walls, flooring, cabinetry, fixtures, or finishes.
 - ii. Pursuant to RCW 64.90.470(2), the Association is not required to provide coverage for any portion of a unit if such coverage is not reasonably available in the insurance market. This policy reflects longstanding practice and the current difficulty in obtaining comprehensive coverage at a reasonable cost.
- (b) The HTCA will maintain a Master policy of insurance that covers liability and property for the common area as long as such coverage is reasonably available. This Master policy includes:

- i. **Property Insurance:** The Association shall maintain property insurance on the common elements and the basic building structure up to the interior bare walls of the exterior walls of each unit, as reasonably available. The Association shall not insure improvements, fixtures, appliances, flooring, cabinetry, or wall coverings within units, nor shall it insure any betterments or interior alterations made by owners.

To the extent coverage for unit interiors is reasonably available in the insurance market, the Board may obtain such coverage, but is not required to do so. If obtained, this coverage may exclude betterments, personal property, and other non-standard elements. Owners remain responsible for insuring their own units, including all contents, interior finishes, improvements, and any upgrades.

- ii. **Liability Insurance** for the Association, covering the common areas only.

- (c) **Repair, safety, and maintenance responsibilities** inside the interior boundaries of individual units - including any non-bearing walls - rest solely with unit owners and are not the responsibility of the Association.

- (d) **Deductible Allocation and Owner Responsibility:** If a loss occurs within a unit that results in a covered claim under the Association's property insurance policy, the owner of the unit where the loss originated shall be responsible for paying the policy deductible, unless the Board determines the damage originated elsewhere or was caused by another party.

If the loss affects multiple units or common areas, the deductible shall be allocated among the affected units proportionally, based on the extent of damage to each unit, as determined by the Board.

The Board may adopt policies governing the handling of deductibles, damage investigations, and insurance recoveries.

- (e) All unit owners shall obtain and maintain insurance covering the interior of their units, including improvements, betterments, personal property, and liability coverage. Such insurance shall include loss assessment and building property coverage sufficient to cover the Association's deductible.

The Board may adopt minimum insurance requirements for owners, including proof of coverage and renewal, and may require owners to provide copies of active declarations upon request.

- (f) The liability of each unit owner includes:

- i. **Common Property:** Each owner is liable for damage to the common property or any improvements thereon caused by the owner, their guests, tenants, or other occupants. Liability is subject to either reimbursement demand or monetary fee as determined appropriate by the HTCA.
- ii. **Exclusive Use Common Property:** Owners are liable for damage caused to improvements located within the Exclusive Use Common Elements of other owners.
- iii. **Negligence and Indemnification:** If any damage to the common elements, Association property, or another unit is caused by the negligence, misconduct, or violation of this Declaration or the rules by a unit owner, their tenants, guests, or invitees, the Board may assess the responsible unit owner for the costs of repair, including any portion of the Association's insurance deductible and related expenses.

Before imposing such an assessment, the Board shall provide the owner with written notice of the proposed charge and an opportunity to be heard. This assessment shall be enforceable as a special assessment against the unit.

ARTICLE XXIV DAMAGE AND DESTRUCTION

(a) **Reconstruction After Damage or Destruction**

Any portion of the condominium for which the Association is required to maintain insurance pursuant to this Declaration that is damaged or destroyed must be repaired or replaced promptly by the Association unless:

- i. The condominium is terminated;
- ii. Repair or replacement would be illegal; or
- iii. Eighty percent of the unit owners, including every unit owner of a unit or assigned limited common element that will not be rebuilt, vote not to rebuild.

Any portion of the condominium for which an Owner is required to maintain insurance pursuant to this Declaration that is damaged or destroyed must be repaired or replaced promptly by the Owner unless:

- i. The condominium is terminated;
- ii. Repair or replacement would be illegal.

(b) **Insufficient Insurance Proceeds**

If the insurance proceeds are insufficient to repair or reconstruct the building, the Board shall still proceed with repairs, using available funds. All unit owners shall be equally liable for assessments to cover any deficiency as a common expense.

(c) **Decision Not to Rebuild**

A unanimous decision of the unit owners is required to opt not to rebuild, repair, or restore the building. In such a case, the Board may still use insurance proceeds to remove the remains of the building and ensure the site complies with applicable governmental regulations, or place the site in a condition necessary to protect the owners from liability. The remaining funds shall be distributed as provided by statute. In the event of a conflict between this section and RCW 64.32.230, RCW 64.34.352, RCW 64.90.485, or any current or future applicable laws, the applicable statute shall prevail.

(d) **Inability to Rebuild Due to Legal or Regulatory Restrictions**

If governmental regulations or zoning laws prohibit the reconstruction of the building or common areas after damage or destruction, the Board may distribute any insurance proceeds in a manner that protects the owners' financial interests. The Association will comply with all applicable laws to ensure the site is secured, and any remaining funds will be disbursed according to statutory guidelines. Owners will not be required to contribute additional funds for reconstruction if rebuilding is not permitted.

ARTICLE XXV ENFORCEMENT

(a) **Owner Compliance**

Each owner shall strictly comply with the provisions of this Declaration, the administrative rules and regulations, and the bylaws enacted under this Declaration, as they may be lawfully amended from time to time. Owners are also required to comply with all decisions made pursuant to the Declaration, administrative rules, and regulations.

(b) **Grounds for Enforcement Action**

Failure to comply with these provisions shall be grounds for legal action, which may include:

- i. **Recovery of Sums Due:** The Board or Managing Agent may take action to recover any sums due for damages caused by non-compliance.
- ii. **Injunctive Relief:** The Board or Managing Agent may seek injunctive relief to prevent further violations of the Declaration or rules.
- iii. **Combination of Remedies:** In appropriate cases, both damages and injunctive relief may be sought to address non-compliance.

(c) **Parties Authorized to Enforce**

Actions to enforce compliance may be brought by:

- i. The **Board** or **Managing Agent**, acting on behalf of the owners.

- ii. In certain cases, an **aggrieved owner** may bring action if they are directly impacted by the violation.

ARTICLE XXVI

ASSOCIATION PROPERTY

- (a) The Board may, using the common funds of the Association, acquire and hold tangible and intangible personal property, real property, and interests therein, in the name of the Association for the benefit of the owners. The beneficial interest in such property shall be owned by the owners in the same proportion as their respective interests in the Common Area. Such property may be sold, leased, rented, mortgaged, or otherwise managed for the benefit of the Association as directed by the Board.
- (b) The Board shall not acquire real property or personal property valued in excess of twenty-five thousand dollars (\$25,000.00) by lease or purchase, except upon a majority vote of the unit owners.

ARTICLE XXVII

INTERPRETATION

- (a) **General Interpretation**

The provisions of this Declaration shall be interpreted broadly to achieve its purpose of establishing a consistent framework for the development and operation of the condominium.

- (b) **Compliance with Laws**

The Association shall ensure that the provisions of this Declaration, its By-Laws, and any rules or policies enacted hereunder remain compliant with all applicable laws, including but not limited to the Revised Code of Washington and any future amendments or successor statutes. In practice, the Board may make adjustments to rules, policies, and procedures to ensure compliance with legal requirements without the need for formal amendments to the Declaration or By-Laws, except where explicitly required by law or governing documents.

ARTICLE XXVIII

BY-LAWS

Bylaws for the administration of the HTCA and the property, and for any other purposes not inconsistent with the Act or the terms and intent of this Declaration, shall be adopted or amended

by the Association with the approval of sixty percent (60%) of the votes of a quorum at a meeting called for that purpose. Notice of the time, place, and purpose of such a meeting shall be delivered to each unit owner at least ten days prior.

ARTICLE XXIX

AMENDMENT OF DECLARATION, SURVEY MAP, PLANS

(a) **Amendment of the Declaration**

Amendments to this Declaration must be made in a written instrument titled “Amendment to Declaration of Hi-Tide Condominium,” setting forth the full amendment. Notice of the proposed amendment must be given to all unit owners as provided herein. Any amendment must first be approved by a majority of the Board of Directors before being adopted by the owners. Amendments may be adopted either at a meeting if sixty percent (60%) of the owners vote in favor, or without a meeting if sixty percent (60%) of the owners consent in writing, including electronic submissions, in compliance with RCW 24.03A or future applicable laws. The amendment must be signed by the President of the Board and attested by the Secretary, who will certify that the amendment was properly adopted. Once properly executed, the amendment is effective upon recording with the Grays Harbor County Auditor. Any change affecting unit values and percentage interests requires unanimous consent of all unit owners. By accepting ownership of any unit, all owners agree that any properly adopted amendment will effectively modify any covenants, conditions, or reservations in this Declaration. This process is intended to conform with RCW 64.90.285 and any successor statutes governing amendments to common interest declarations.

(b) **Amendment of Survey Map and Plans**

Subject to the provisions of the Declaration, the Survey Map and Plans may be amended through revised versions referenced in an amendment to the Declaration, adopted in accordance with this Article. Copies of any proposed amendment to the Survey Map and Plans shall be made available for review by all owners. Amendments become effective upon recording with the Grays Harbor County Auditor.

ARTICLE XXX SEVERABILITY

Each provision of this Declaration is independent and severable. If any provision or part thereof is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

ARTICLE XXXI

EFFECTIVE DATE

This Declaration shall take effect upon recording.

ARTICLE XXXII

REFERENCE TO SURVEY MAP AND PLANS

The set of plans for the buildings referred to in this Declaration was filed with the Grays Harbor County Auditor, simultaneously with the recording of this Declaration under Auditor's File No. 137078, in Volume 1 of Condominiums, Pages 85 through 88. These records remain part of the official documentation of the Hi-Tide Condominium.

ATTESTATIONS

AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS

ESTABLISHING THE CONDOMINIUM TO BE KNOWN AS HI-TIDE

ATTESTED TO BY:

Signature

Printed Name

Title

Date Signed

Signature

Printed Name

Title

Date Signed