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SNOHOMISH COUNTY, WASHINGTON

Return Address: AMY E. MEHARRY OSERAN HAHN, P.S. 929 108th Ave NE, Ste 1200 BELLEVUE, WA 98004

SNOHOMISH COUNTY AUDITOR/RECORDER'S INDEXING FORM

DOCUMENT TITLE(S):

1. AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS FOR 4^{TH} AVENUE VILLAGE, A CONDOMINIUM

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:

7812130193; 7901020215; 7901150297; 7903280317; 7905010363; 7907300192; 7907230169; 7909110353; 8002280285; 8004280185; 8005080078; 8812300184; 200206260822; 200709260837; 200709260838; 201301220936

Additional reference numbers are on page N/A of document.

GRANTOR/GRANTEE:

4TH AVENUE VILLAGE OWNERS ASSOCIATION, A Washington non-profit corporation, both for and on behalf of all Unit Owners in 4th Avenue Village, a Condominium.

Additional names on page N/A of document.

LEGAL DESCRIPTION: (abbreviated i.e. lot, block, plat, section, township, and range) 4TH Avenue Village, a Condominium, Vol. 39, Pp. 36-40, Snoh. Co., WA Full legal description is on page N/A of document.

ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBER:

 $00680100100100, 00680100100200, 00680100100300, 00680100100400, \\ 00680100100500, 00680100100600, 00680100100700, 00680100200100, \\ 00680100200100, 00680100200200, 00680100200300, 00680100200400, \\ 00680100200500, 00680100200600, 00680100200700, 00680100200800, \\ 00680100200900, 00680100201000, 00680100300100, 00680100300200, \\ 00680100300300, 00680100300400, 00680100300500, 00680100300600, \\ 00680100400100, 00680100400200, 00680100400300, 00680100400400, \\ 00680100400500, 00680100400600, 00680100400700, 00680100400800, \\ 00680100400900, 00680100401000, 00680100500100, 00680100500200, \\ 00680100500300, 00680100500400, 00680100500500, 00680100500200, \\ 00680100500300, 00680100500400, 00680100500500, 00680100500600, \\ 00680100500700, 00680100500800, 00680100600100, 00680100700100, \\ 00680100600300, 00680100600400, 00680100600100, 00680100700100, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 00680100700400, 00680100700400, 00680100700500, \\ 00680100700200, 00680100700300, 006801$

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The Auditor/Recorder will rely on information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

"AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS FOR 4th AVENUE VILLAGE, A CONDOMINIUM

RECITALS

- A. 4th Avenue Village, A Condominium was established by NEIL ESHLEMAN (the "*Declarant*") pursuant to RCW Ch. 64.32 (Horizontal Property Regimes Act, hereinafter referred to as "the Act") by that certain Condominium Declaration for 4th Avenue Village, A Condominium recorded under Snohomish County Recording No. 7812130193, and any amendments thereto (the "*Original Declaration*"), and that certain Survey Map and Plans recorded under Snohomish County Recording No. 7812130192, and any amendments thereto.
- **B.** At the time the 4th Avenue Village, A Condominium was created, Declarant was the sole owner, in fee simple, of the real property located in Snohomish County, Washington, and legally described in **EXHIBIT A** (the "**Property**").
- C. The Declarant no longer has an interest in the Condominium or the Property. There have been fifteen amendments to the Original Declaration recorded under Snohomish County Recording Nos. 7901020215, 7901150297, 7903200317, 7905010363, 7907300192, 7907230169, 7909110353, 8002280285, 8004280185, 8005080078, 8812300184, 200206260822, 200709260837, 200709260838, and 201301220936. This Amended and Restated Declaration was approved by the affirmative approval and agreement of the requisite number of Members of the Association pursuant to Article 25, Section 25.A. of the Original Declaration, and

as required by any other applicable laws and provisions within the Association's governing documents. This Amended and Restated Declaration is substituted for and incorporates the Original Declaration and the fifteen amendments thereto, effective as of the date this instrument is recorded.

Declaration

It is agreed by acceptance of a conveyance, contract for 1 EFFECT. sale, lease, rental agreement, or any form of security instrument, or any privileges of use or enjoyment, respecting a Condominium Unit in the Condominium created by this Declaration, that this Declaration, together with the condominium plans attached hereto as Exhibit "B", and by this reference incorporated herein, and all amendments to said condominium plans or to the survey map included therein or which may be hereafter filed for record as part of this Declaration, states covenants, conditions, and restrictions affecting a common plan for the condominium development and mutually beneficial to all of the described Condominium Units, and that the covenants, conditions and restrictions, and plan are binding upon each such Condominium Unit as a parcel of realty, and upon its owners, and possessors, and their heirs, personal representatives, lessees, tenants, agents, 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 of inclusion in deeds, contracts, or security instruments and regardless of any subsequent forfeiture, foreclosure, or sales of Condominium Units under this security instrument.

2. DEFINITIONS.

- 2.A. Words and terms used herein shall have the definitions provided under RCW 64.32.010 unless a different meaning is plainly indicated by the context.
- 2.B. "Association" shall mean the 4th Avenue Village Owners' Association, a nonprofit, unincorporated Association formed under the laws of the State of Washington for the purposes hereinafter specified.
 - 2.C. "Board" shall mean the Board of Trustees of the Association.
- 2.D. "Mortgagee" shall mean the mortgagee, beneficiary of a deed of trust, or other secured party, and "mortgagor" shall mean the mortgagor, grantor of a deed of trust, or other secured party giving security.
- 2.E. "Foreclosure" shall include not only judicial foreclosure, but also a nonjudicial foreclosure pursuant to a power of sale granted in a deed of trust or other security instrument.
- 2.F. "Unit Mortgagee" shall mean a holder of mortgage or deed of trust on a Unit.
- 2.G. "Institutional Mortgagee" shall mean a mortgagee which is a bank, a savings and loan association, a mortgage company or other entity chartered under federal or state laws and authorized to invest in loan money secured by interests in real property; any corporation or insurance company; or any federal or state agency.
- 2.H. "Mortgage Vote" or "Consent" shall be obtained whenever by this Declaration, the Association's bylaws, or the Act, any decision is to be made by or is conditioned upon approval, consent or vote by a stated majority of mortgagees.
- 2.I. "Condominium Unit" as used herein shall mean interior air space intended for independent use, bounded by the unfinished walls, floors, ceilings, windows and

doors thereof, as defined under RCW 64.32.010(1) and RCW 64.34.020(41), its undivided interest in the common areas and all appurtenances thereto, including, without limitation, all easements appurtenant thereto and all limited common areas as defined herein, including, without limitation, parking spaces, storage lockers, awnings, planter boxes and the like.

- 3. <u>DESCRIPTION OF BUILDINGS.</u> 4th Avenue Village consists of twelve (12) buildings; two containing four (4) Condominium Units, one containing six (6) Condominium Units, one containing seven (7) Condominium Units, two containing nine (9) Condominium Units, two containing eight (8) Condominium Units, three containing ten (10) Condominium Units, and one that is the common area club house. The location of the various common areas in each building area are shown on Exhibit "B" attached hereto. The buildings primarily are constructed of wood frame and allied building materials. The address of the entire project is 12600 4th Avenue W, Everett, Washington.
- 4. <u>DESCRIPTION OF CONDOMINIUM UNITS: LOCATION.</u> The precise location of each Condominium Unit is shown on the condominium plans, attached hereto as Exhibit "B". The following description contains the location, approximate areas, number of rooms, and Condominium Unit number for each Condominium Unit. The figures for area are approximate only, as provided for by statute, and are not precise computations of Condominium Unit area.

The buildings are designated in the plans as 1 through 11 and a recreational center, and Condominium Units 1A through 1G, 2A through 2J, 3A through 3F, 4A through 4J, 5A through 5H, 6A through 6D, 7A through 7J, 8A through 8D, 9A through

9H, 10A through 10I, and 11A through 11I. The Condominium Units are all two stories and consist of an entry hall, a living room, dining area, a kitchen, a laundry room, two or three bedrooms and two and one-half bathrooms. As shown on Exhibit "B, the Units range from 1,198 square feet in size, to 1,654 square feet.

As indicated in Exhibit "B", each of the Condominium Units has access to the entry way or common area to which it is adjacent, which entry ways and common areas in turn have access to a public street.

- 5. <u>DESCRIPTION OF COMMON AREAS AND FACILITIES: CERTAIN ITEMS EXCLUDED FROM, AND WHICH MAY BE DETERMINED NOT TO BE, COMMON AREA, EASEMENT.</u>
- 5.A. Description. The common areas and facilities consist of those specified in RCW 64.32.010(6), including all areas on the project except as included in the definition of Unit in Paragraph 2I herein or included in the limited areas described in Paragraph 6 herein. The common areas further include the property previously known as 4th Avenue Village Phase 4.
- 5.B. Easement. The owners of the respective Condominium Units agree that if any portion of the common areas and facilities encroaches upon the Condominium Units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event one or more of the buildings is partially or totally destroyed and then rebuilt, the owners of the Condominium Units agree that minor encroachment of parts of the common areas and facilities due to construction shall be permitted and that valid easements for said encroachment and the maintenance thereof shall exist.

- 5.C. Unless each of the first mortgagees of Condominium Units in this condominium have given their prior written approval, the Association shall not be entitled, by act or omission, to seek to abandon, terminate, partition, encumber, or sell the common areas, except easements to public utilities or governmental agencies or for public purposes may be granted, and except as to abandonment or termination which results from substantial destruction or condemnation.
- 6. <u>DESCRIPTION OF LIMITED COMMON AREAS.</u> The limited common areas and facilities consist of:
- 6.A. The decks, patios and storage shed adjacent to each Condominium Unit and the outside entry to each Condominium Unit.
- 6.B. Although the carport buildings generally are common areas, any specific parking space and storage shed reserved to a Condominium Unit is limited common area which bears the same number as the Condominium Unit to which it is assigned.
- 6.C. The mailbox reserved to each Condominium Unit, which mailbox is designated by the number of the Condominium Unit.
- 6.D. The garbage facilities located in or adjacent to each building, each of which shall be for the exclusive use of the Condominium Unit owners of each building.
- 6.E. The enclosed garages adjacent to Buildings 10 and 11 are limited common areas for the exclusive use of the Condominium Unit owners of Buildings 10 and 11, and any specific enclosed garage unit is limited common area which bears the same number as the Condominium Unit to which it is assigned.

Each of the limited common areas is reserved for the exclusive use of the Condominium Unit to which it is adjacent, or to which it is assigned, and shall be deemed to be part of each Condominium Unit and appurtenant thereto.

7. VALUE AND PERCENTAGE OF INDIVIDUAL INTEREST IN COMMON

AREAS. The value of the entire property is One Million Nine Hundred, Sixty-Three Thousand Dollars (\$1,963,000.00). The value of each Condominium Unit, including the use of all the limited common areas appertaining thereto, and the percentage of individual interest in the common areas, limited common areas and easements appertaining thereto, if any, for all purpose, including voting in the Association and assessments for common expenses, is as set forth in Exhibit "C" attached hereto, and by this reference incorporated herein. These values are provided in order to establish the percentages of ownership, also shown in Exhibit "C", required to be set forth by the Act, and do not necessarily reflect either the actual market value of said Condominium Units at the time this Declaration is filed for record or the amount for which they may be sold, from time to time, by others.

8. USE: REGULATION OF USE: ARCHITECTURAL UNIFORMITY.

- 8.A. Use. The Condominium Units shall be used for single-family, residential purposes only, and for such common, social, recreational, or other reasonable uses normally incident to such use, and also for such additional uses or purposes as are not inconsistent therewith, as from time to time determined appropriate by the Board.
- 8.B. Rental. All leases or rental agreements shall be in writing and by its terms shall provide that the terms of the lease are subject in all respects to the provisions of this Declaration of Condominium and the bylaws of the Association, and all rules and

regulations thereunder. Any failure by the lessee to comply with said documents shall be a default in any lease or rental agreement. No owner may lease less than their entire Condominium Unit. With the exception of a lender in possession of a Condominium Unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no owner may lease their Condominium Unit for transient or hotel purposes. The Association shall ensure the Condominium Unit owner compliance with this section. Any lease or rental agreement to which the Association does not consent due to noncompliance with this paragraph may be voided by the Association. The Association shall not consent to any lease, sublease, or rental agreement, the effect of which will result in noncompliance with this paragraph.

- 8.B.(1) Leases. Restrictions of the Number of Condominium Units that can be Rented. The number of Condominium Units rented at any time cannot exceed 15% of the total number or 13 Condominium Units. Condominium Unit owners who had rented their Condominium Unit as of September 26, 2007 are "grandfathered". Upon sale, new Condominium Unit owners will be required to live on-site for a minimum of two years. Subsequent to the two years of residency, the Condominium Unit owner may then request to be placed upon the list for rental. Actual permission to rent will be dependent upon the number of Condominium Units rented. The waiting list will be in the order of first-come first-served.
- 8.C. Parking. Parking Spaces are restricted to use for parking of the motor vehicle utilized by the owner of the Condominium Unit to which the space attaches as a limited common area or that of owner's guests or invitees. Provided, however, that other items and equipment may be parked or kept therein subject to the rules and regulations

of the Board. In no event shall a parking space be leased except upon such lease being cancellable upon fifteen (15) days written notice from mortgagee or encumbrancer who has succeeded to the interest of its mortgage pursuant to an involuntary sale or a conveyance in lieu thereof. Any lease of a parking space shall be automatically cancelled upon the sale of the Condominium Unit to which the parking space is assigned.

- 8.D. Common Walks. Common drives and stairs shall be used exclusively for normal transit and no obstructions shall be placed thereon or therein except by express written consent of the Board.
- 8.E. Limited Common Areas. Limited common areas, although the use thereof may be regulated by this Declaration, are for the sole and exclusive use of the Condominium Unit for which they are reserved. Neither the Association nor the Board shall be responsible to a Condominium Unit owner for loss or damage by theft or otherwise of articles which may be kept or stored by any Condominium Unit owner in any parking space, deck, patio or Condominium Unit.
- 8.F. Exterior. In order to preserve a uniform exterior appearance to the building, the Board shall prohibit, require, and regulate the exterior modification or decoration undertaken or proposed by any owner. This power of the Board extends to screens, doors, awnings, or other visible portions of each Condominium Unit, and the building. The Board shall also require use of a uniform color of draperies, or, in the alternative, drapery lining for all Condominium Units. The Board shall regulate by rule or regulation use of decks or patios and items kept thereon both to the end of architectural

uniformity, and in order to protect other owners from inappropriate or undesirable activities and uses respecting such areas.

- 8.G. Rate of Insurance. Nothing shall be done or kept in any unit or in the common areas which will increase the rate of or result in the cancellation of insurance on the common area or buildings without the prior written consent of the Board, or which would be in violation of any law. No waste shall be permitted in the common area or in any Condominium Unit.
- 8.H. Signs. No sign of any kind shall be displayed to the public view on or from any Condominium Unit or the common area without the prior consent of the Board.
- 8.I. Antennae. No exterior antennae shall be installed in or on common area by any owner without the prior written consent of the Board.
- 8.J. Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept in any Condominium Unit or in the common area, except household pets subject to rules and regulations adopted by the Board or bylaws adopted by the Association. At any time, the Board may require removal of any animal which it finds is disturbing other owners unreasonably, in the Board's determination, and may exercise this authority for specific animals, even though other animals are permitted to remain.
- 8.K. Activity. No noxious or offensive activity shall be carried on in any Condominium Unit or common area, nor shall anything be done therein which may be or become an annoyance or nuisance to other owners.
- 8.L. Compliance. The Board is empowered to pass, amend, and revoke detailed administrative rules and regulations necessary or convenient to ensure compliance with the general guidelines of this section, and to regulate the general

conduct of owners in their reserved use of the Condominium Units and of the common areas. Such rules and regulations shall be furnished in writing to each owner, and each owner agrees to be bound thereby.

Without in any way limiting the scope of such rules and regulations which may be so promulgated, the Board may, but shall not be required to, adopt rules and regulations governing the reserved use of the common areas by members of the Association and their respective families, guests, and invitees. Such reserved use may be conditional upon, among other things, the payment by the owner of such charge as may be established by the Board for the purpose of defraying the cost of such use.

- 9. PERSON TO RECEIVE SERVICE OF PROCESS. The registered agent designated by the Board of Trustees as listed by Washington's Secretary of State Corporation's Division is hereby authorized to receive service of process in cases provided for in the Act. The Board, at any time, may designate a different person, or different address for such person to receive service of process by amending the registered agent information with Washington's Secretary of State.
- 10. PROCEDURES FOR SUBDIVIDING OR COMBINING. Subdivision and/or combining of any Condominium Unit or Units, common areas and facilities or limited common areas and facilities are authorized only as follows: any owner of any Condominium Unit or Units may propose in writing to the Association any subdivision and/or combination of a Condominium Unit, Units, and/or common areas, together with complete plans and specifications for accomplishing the same and a proposed amendment to the Declaration, Survey Map and Plans covering such subdivision or combination. The Board of Trustees shall call a special meeting of all other

Condominium Unit owners to consider said proposal. Upon written approval of such proposal by at least seventy-five percent (75%) of the owners and by the holders of any first mortgage lien on any such Condominium Unit, the owner making such proposal may proceed according to such plans and specifications, provided that the Board shall elect whether to require that the Board administer the work, or whether provisions for the protection of other Condominium Units or common areas or for reasonable deadlines for completion of the work shall be inserted in the contracts for the work. The changes in the Survey Map, if any, and the changes in the Plans and Declaration shall be drafted, executed, and placed of record as provided for in paragraph 25 herein for amendments to the Survey Map, Plans and Declaration of Condominium. Any approved subdivision or combination only shall affect reallocation of the established percentages and values among the changed Condominium Units and shall not affect the value or percentage allocated to any other Condominium Unit.

- 11. <u>ADMINISTRATION</u>. The administration of the property, including but not limited to the acts required of the Association, shall be governed by the following provisions:
- 11.A. Organization. The Association shall be called 4th Avenue Village Owners Association, a Washington non-profit corporation. Each annual meeting shall be held as provided for in the bylaws, attached hereto as Exhibit "D", and by this reference incorporated herein. The Association shall exist so long as the building is subject to the provisions of the Horizontal Property Regime Act of Washington and the relevant provisions of the Condominium Act of Washington as set forth in RCW 64.34.010.

- 11.B. Members. All of the fee owners and contract purchasers of the Condominium Units shall constitute the Association of owners as defined in the Act and shall be considered owners for purposes of this Declaration and the bylaws. It is understood that, except as specifically reserved to a vendor in a real estate contract, the powers of an owner are delegated by the vendor or fee owner of a Condominium Unit to the contract purchaser of the Condominium Unit.
- 11.C. Voting. The total voting power of all owners shall be one hundred (100) votes and the total number of votes available to owners of any one Condominium Unit shall be equal to the percentage of undivided interest in the common areas and facilities appertaining to such Condominium Unit as set forth in Exhibit "C".

11.D. Voting Owner.

- 11.D.(1) There shall be one "voting owner" of each Condominium Unit. If more than one owner of a Condominium Unit, the voting owner shall be designated by the owner or owners of each Condominium Unit by written notice to the Board of Trustees and need not be an actual owner. The designations shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any owner of the Condominium Unit or by written notice to the Board by any owner of the Condominium Unit. Such powers of designation and revocation may be exercised by the guardian, administrators, or executors of an owner's estate.
- 11.D.(2) Where no designation is made or where a designation has been made but is revoked and no new designation has been made, the voting owner of each Condominium Unit shall be the group composed of all of its

owners; any or all of such owners may be present at any meeting of the voting owners and may vote or take any other action as a voting owner either in person or by proxy. If the joint owners present in person or by proxy do not act unanimously, the majority of said joint owners shall prevail as set forth in the bylaws, attached hereto as Exhibit "D". If a person owns more than one Condominium Unit, they shall have the number of votes for each Condominium Unit they own.

- 11.D.(3) In the event the record owner or owners have pledged their vote regarding special matters to a mortgagee under a duly recorded mortgage, or upon written notice to the Association, only the vote of the mortgagee will be recognized with regard to the special matters upon which the vote is so pledged. Amendments to this paragraph shall be effective only upon the written consent of all the voting owners and their respective mortgagees, if any. In any event, upon prior written request, all institutional holders of a first mortgage shall be entitled to written notice of all meetings of members of the Association and shall be permitted to designate a representative to attend all such meetings.
- 11.D.(4) Voting by mail and/or electronic transmission (e.g., email, Facebook, etc.) may be authorized by the Bylaws. If the Bylaws authorize such voting by mail and/or an electronic transmission and if a particular vote is, upon approval of the Board of Trustees, undertaken by mail and/or an electronic transmission, all votes validly cast by mail and/or electronic transmission shall be deemed present for all purposes of quorum, count of votes, and percentages of total voting power in accordance with RCW 24.03.085 and RCW 24.03.090.

- 11.E. Board of Trustees. The affairs of the Association shall be managed by a Board of Trustees and by such officers as the Association or Board may designate. The Board of Trustees shall be elected by the Association at the first meeting as provided in the bylaws, attached hereto as Exhibit "D". The Board may adopt administrative rules and regulations governing the details of the operation, maintenance, and use of the property, and to prevent unreasonable uses of the Condominium Units and common areas and unreasonable interference with the use thereof by other owners. The Board shall be empowered to retain an individual or firm to act as manager or janitor of the property.
- 11.F. Bylaws. The bylaws of the Association shall be in the form attached as Exhibit "D." These bylaws may be amended or repealed and new bylaws adopted by a majority vote of the Board of Trustees; provided, however, no amendment to these bylaws shall be effective to alter the rights granted herein to mortgagees without the prior written consent of all institutional mortgagees.
- 11.G. Powers and Duties. The duties and powers of the Association shall be set forth in this Declaration, and the bylaws, together with those reasonably implied to affect the purposes of the Association and this Declaration. The power and duties of the Association shall be exercised in the manner provided for by this Declaration and the bylaws, and any duties or rights of the Association which are granted by or are to be exercised in accordance with the provisions of this Declaration shall be so exercised, except that, wherever this Declaration requires the act or approval of the Board of Trustees of the Association, such act or approval must be that of the Board done or given in accordance with the bylaws.

- 11.H. Nonprofit. Nothing herein contained shall be construed to give the Board or the Association authority to, and neither the Board nor the Association shall, conduct any business for profit on behalf of all of the owners or any of them.
- 12. <u>AUTHORITY OF THE BOARD</u>. The Board of Trustees shall have the following authority and power:
- 12.A. Enforcement. To enforce the provisions of this Declaration and the rules and regulations adopted pursuant thereto; and to enforce the liens, charges, assessments, limitations, restrictions, conditions, covenants, and provisions of this Declaration, including rules and regulations adopted pursuant hereto, and all other rights to the Association; to pay all expenses arising out of the exercise of such authority or incidental thereto out of the common expense fund; and, if necessary, to bring suits at law and in equity to enforce the same, and pay court costs and attorney fees from the common expense fund.
- 12.B. Contract. To contract for all goods, services, and insurance, payment for which is to be made from the common expense fund, which authority shall reside exclusively in the Board.
- 12.C. Acquire. To acquire and pay for the following out of the common expense fund as hereinafter provided:
 - 12.C.(1) the improvement, lighting, maintenance, painting, repair and replacement of walks, gateways, fences, ornamental features, building exteriors, and other common areas and facilities now existing or hereafter to be constructed or created; provided, however, there shall be no structural alterations, capital additions to, or capital improvements of the common areas

requiring an expenditure in excess of \$25,000.00 without prior approval of owners holding a majority of the total votes;

- 12.C.(2) water, sewer, garbage collection, electrical, security, telephone, and gas, and other necessary utility services for the common area to the extent not separately metered or charged to the Condominium Units;
- 12.C.(3) insurance policies and bonds as the same are more fully set forth in paragraph 19 of this Declaration;
- 12.C.(4) the services of a person or firm to manage its affairs (herein called "the manager") to the extent deemed advisable by the Board, and subject to the provisions relating thereto contained herein as well as such other personnel as the Board shall determine shall be necessary or proper for the operation of the building;
- 12.C.(5) legal and accounting services necessary or proper in the operation of the common area or the enforcement of this Declaration:
- 12.C.(6) maintenance and repair of any Condominium Unit, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect the common area and preserve the appearance and value of the development, and the owner or owners of said Condominium Unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said owner or owners; provided, that the Board shall levy a special assessment against such Condominium Unit and such owner or owners for the cost of said maintenance or repair.

- 12.D. Assessment. To establish, levy, collect, and enforce such charges or fees as may be necessary to carry out, pay off, and otherwise meet the expenses of carrying out and performing any of the above enumerated powers or duties or the purposes for which the Association is formed, including but not limited to maintenance, taxes, repairs, and insurance.
- 12.E. Discharge Liens. To pay any amount necessary to discharge any lien or encumbrance levied against the entire property or any part thereof which is claimed to or, in the opinion of the Board, may constitute a lien against the property or against the common areas, rather than merely against the interest of particular owners therein. Where such lien is not properly a lien against the common areas, the owners responsible for the existence of the lien shall be jointly and severally liable for the cost of discharging it and any costs and expenses, including reasonable attorneys' fees and costs of title search, incurred by the Board by reason of such lien and liens, shall be assessed against the owners and the Condominium Units responsible.
- 12.F. Borrow. To borrow any amount necessary to meet the expenses of carrying out and performing any of the above enumerated powers or duties or the purposes for which the Association is formed; provided that the Board must obtain the prior approval of 51 percent of the Unit owners if the total outstanding loans will exceed \$25,000.00.
- 13. EXCLUSIVE OWNERSHIP AND POSSESSION BY OWNER. Each owner shall be entitled to exclusive ownership and possession of his Condominium Unit. Each owner shall be entitled to an undivided interest in the common areas in an amount equal to the percentage expressed in Exhibit "C" of this Declaration. The percentage of

undivided interest of each owner in the common areas as expressed in Exhibit "C" shall have a permanent character and shall not be altered without the consent of all owners expressed in an amendment to the Declaration, duly recorded, except as provided for in paragraph 3 and subparagraph 11B. The percentage of the undivided interest in the common areas shall not be separated from the Condominium Unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens along with the Condominium Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. Each owner is granted a nonexclusive easement and may use the common area in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of the other owners.

14. MAINTENANCE, REPAIR AND REPLACEMENT OF CONDOMINIUM UNITS AND COMMON AREAS.

14.A. Association. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of:

14.A.(1) all portions of each Condominium Unit which contribute to the support of the buildings, excluding, however, unfinished interior wall, unfinished ceiling, and unfinished floor surfaces, and including without intending to limit the same to, outside building walls, structural slabs, roofs, interior boundary walls of Condominium Units and load-bearing columns;

14.A.(2) all conduits, ducts, plumbing, wiring, fixtures, electrical distribution panels, and other facilities for furnishing of utility services which may be contained in the Unit but excluding therefrom appliances and plumbing and utility

fixtures which are the responsibility of the Condominium Unit owner under subparagraph 14B.

- 14.A.(3) all common areas not otherwise described in subparagraphs
 14A(1) and 14A(2) above; and
- 14.A.(4) all incidental damage caused to a Condominium Unit by such work as may be done or caused to be done by the Association in accordance herewith.
- 14.B. Owner. The Condominium Unit owner, at their sole expense, shall be responsible to maintain the interior of his Condominium Unit in good order, condition, and repair, and in a clean and sanitary condition, that is, from and including the unfinished interior boundary; and further, shall be responsible for the maintenance, repair, replacement, and insurance for all portions of the Condominium Unit except the portions thereof to be maintained, repaired, and replaced by the Association. Such responsibility shall be performed in a manner so as not to create any unreasonable disturbance. Such portions which are the responsibility of the Condominium Unit owner to maintain, repair, replace, and insure shall include, without limitation, the following:
 - 14.B.(1) all carpeting, tile, and other floor covering material above the subfloor, which forms a boundary of the Condominium Unit;
 - 14.B.(2) all unfinished ceiling and wall surfaces which form the inner boundaries of the Condominium Unit, and all windows and doors, the unfinished interior surface of which also form boundaries of the Condominium Unit;
 - 14.B.(3) all lighting fixtures, fans, and appliances, and all television receptacles, if any, and electrical outlets, plumbing fixtures, and cabinets in or

appurtenant to the Condominium Unit, or installed for the sole use thereof, notwithstanding that such fixtures, improvements, or other items may be recessed and/or located wholly or partially outside the unfinished floor, wall, or ceiling surfaces which form the boundaries of the Condominium Unit. For purposes hereof, an easement over the common areas to the extent reasonably necessary to perform such maintenance, repair, and replacement hereby is reserved in favor of each Condominium Unit; provided that the Condominium Unit owner shall be responsible to repair any damage to such common areas caused by the performances of their obligations under this subparagraph.

14.B.(4) the parking space is appurtenant to their Condominium Unit as limited common area, which shall be kept in a clean and sanitary condition. The Association, the Board, and the manager or managing agent shall not be responsible to the owner for loss or damage by theft or otherwise of articles which may be kept or stored by the owner in any parking space.

- 15. ENTRY FOR REPAIRS. The Board of Trustees or its agent acting for the Association may enter any Condominium Unit when necessary in connection with any maintenance, emergency or other necessary repairs, replacement, construction, or other activity for which the Association or the Board is responsible or for which the Condominium Unit owner is responsible but has failed to perform. Such entry shall be made with as little inconvenience to the owner as practicable, and any damage cause thereby shall be repaired by the Board out of the common expense fund.
 - 16. PROHIBITION AGAINST STRUCTURAL CHANGES BY OWNER.

- 16.A. No owner shall, without first obtaining the written consent of the Board, of all other Condominium Unit owners in that building, and their respective Condominium Unit mortgagees, make or permit to be made any structural alterations, structural improvements, or structural additions in or to their Condominium Unit.
- 16.B. No act or work that will impair the structural soundness or integrity of the building or safety of the property or impair any easement or hereditament shall be consented to by the Board without the prior written consent of all owners and first mortgagees of individual Condominium Units in that building who are affected, if any. For purposes of the last sentence, an opinion from a licensed architect or engineer certifying that the requested alterations, improvements, or additions do not impair the soundness or integrity of the building, shall be deemed to be sufficient proof that the proposed construction will not impair the building.

17. COMMON EXPENSES: ASSESSMENTS, ESTABLISHMENT.

17.A. Regular Assessment. Within thirty (30) days prior to the beginning of each calendar year, the Board of Trustees shall estimate the net charges to be paid during such year, and shall include a reasonable provision for contingencies, repairs, maintenance, and replacement of the common area, and replacement of roofs, and acquisitions and operating reserves, less any expected income and any surplus available from the prior year's fund. Said amount shall be assessed to Condominium Units and the owner or owners thereof pursuant to the percentages set forth in Exhibit "C".

If the sum estimated proves inadequate for any reason, including nonpayment of any owner's assessment, at any time the Board may levy a further special assessment, which shall be assessed to the owners in like proportions. Each owner shall be obligated to pay the annual assessment made pursuant to this paragraph to the Association in equal monthly installments on or before the first day of each month during such year, and the special assessments in such other reasonable manner as the Board shall designate.

17.B. Accounts. The Board shall require that the Association maintain a separate account for current operations, and separate interest-bearing accounts for reserves for repairs, maintenance, and replacements as set forth above, 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 (1/12) of the total cost of all of the insurance policies provided for in paragraph 19. Said insurance reserve account shall be held separate and inviolate until utilized for payment for insurance premiums. Thereafter, the remainder of the common expenses collected may be utilized for payment of other expenses or deposited or credited to other accounts. The reserve accounts for repairs and replacements shall be funded by regular monthly payments.

17.C. Failure to Assess. The omission by the Board 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 owners 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.

17.D. Waiver of Liability. An owner's liability for assessments cannot be avoided by a waiver of the use or enjoyment of any or all of the common areas and facilities or by an abandonment of the Condominium Unit for which the assessment is levied.

17.E. Records. The Board shall cause to be kept detailed accurate records in the form established by the Association's accountant of the receipts and expenditures of the Association, specifying and itemizing the maintenance and repair expenses of the common area and any other expense incurred. Such records and any resolutions authorizing the payments involved shall be available for examination by any owner and by any first mortgagee of any Condominium Unit, at convenient hours of week days. The Board shall notify the first mortgagee of any Condominium Unit at any time that Condominium Unit owners' assessment account is delinquent thirty (30) days. Annually the Board shall cause an independent audit to be made of the Association's accounts. Copies of the audit report shall be available to each owner and mortgagee upon request.

18. LIEN AND COLLECTION OF ASSESSMENTS.

18.A. Assessments are a Lien; Priority.

18.A.(1) All sums assessed by the Association of Condominium Unit owners, but unpaid as assessments chargeable to any Condominium Unit, together with interest, expenses, costs and reasonable attorney fees, shall

constitute a lien on such Condominium Unit. A lien under this Article shall be prior to all other liens and encumbrances on a Condominium Unit except: (a) Liens and encumbrances recorded before the recording of the Declaration; (b) a mortgage on the Condominium Unit recorded before the date on which the assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the Condominium Unit A lien under this Article is not subject to the provisions of chapter 6.13 RCW.

18.A.(2) Except as provided in Sections 18.A(3) and 18.A.(4), the lien shall also be prior to the mortgages described in Section 18.A.(1) to the extent of assessments for common expenses, excluding any amounts for capital improvements, based on the periodic budget adopted by the Association which would have become due during the six months immediately preceding the date of a sheriff's sale in an action for judicial foreclosure by either the Association or a mortgagee, the date of a trustee's sale in a nonjudicial foreclosure by a mortgagee, or the date of recording of the declaration of forfeiture in a proceeding by the vendor under a real estate contract.

18.A.(3) The priority of the Association's lien against Condominium Units encumbered by a mortgage held by a mortgage which has given the Association a written request for a notice of delinquent assessments shall be reduced by up to three months if and to the extent that the lien priority under Section 18.A.(2) includes delinquencies which relate to a period after such holder

has given such notice and before the Association gives the holder a written notice of the delinquency.

- 18.A.(4) If the Association forecloses its lien under this Article nonjudicially pursuant to chapter 61.24 RCW, as otherwise provided by this Article, the Association shall not be entitled to the lien priority provided for under this Section.
- 18.B. <u>Lien may be Foreclosed</u>. The lien for delinquent assessments may be foreclosed by suit by the managing agent or the Board, acting on behalf of the Association, in like manner as the foreclosure of a mortgage of real property. The managing agent or Board of Trustees, acting on behalf of the Association, shall have the power to bid on the Condominium Unit at the foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.
- 18.C. <u>Assessments are Personal Obligations</u>. In addition to constituting a lien on the Condominium Unit, and its appurtenances, all sums assessed by the Association chargeable to any Condominium Unit (together with interest, late charges, costs and attorneys' fees in the event of delinquency) shall be the personal obligation of the owner of the Condominium Unit when the assessment is made. Suit to recover personal judgment for any delinquent assessments shall be maintainable without foreclosing or waiving the liens securing them.
- 18.D. <u>Late Charges and Interest on Delinquent Assessments</u>. The Board may from time to time establish late charges and the rate of interest to be charged on assessments that may thereafter become delinquent. In the absence of another established non-usurious rate, delinquent assessments shall bear interest at the rate of

12 percent per annum. If a monthly assessment against a Condominium Unit is not paid when due, the Board may elect to declare all monthly assessments against the Condominium Unit for the remainder of the fiscal year to be immediately due and payable.

- 18.E. Recovery of Attorney's Fees and Costs. In any action to collect delinquent assessments, the prevailing party shall be entitled to recover as a part of its judgment a reasonable sum for attorney's fees and expenses reasonably incurred in preparing for the action, both prior to the filing of such action, and thereafter, in prosecuting such action, including the costs of a title report and/or legal analysis of title information, in addition to taxable costs permitted by law.
- 18.F. Remedies Cumulative. The remedies provided herein are cumulative and the Board may pursue them, and any other remedies which may be available under law although not expressed herein, either concurrently or in any order.
- 18.G. <u>Security Deposit</u>. A Condominium Unit owner who has been delinquent in paying their monthly assessments for three of the five preceding months may be required by the Board, from time to time, to make and maintain a security deposit not in excess of three months' estimated monthly assessments, which may be collected and subject to penalties for nonpayment as are other assessments. The deposit shall be held in a separate fund, credited to such owner, and may be resorted to at any time when such owner is ten days or more delinquent in paying their monthly or other assessments.
- 18.H. <u>Termination of Utility Service</u>. If an assessment becomes delinquent the Board may give notice to the delinquent Condominium Unit owner to the effect that

unless the delinquent assessment is paid within ten days (or such longer time as is specified in the notice) any or all utility services furnished to the Condominium Unit by the Association or under the Association's control will be forthwith severed and shall remain severed until the delinquent assessment has been paid. If the delinquency is not cured in the time specified the Board may take the action described in the notice.

- 18.I. Rental Value. From the time of commencement of any action to foreclose a lien against a Condominium Unit for nonpayment of delinquent assessments, the owner or purchaser of such Condominium Unit shall pay to the association the reasonable rental value of the Condominium Unit to be fixed by the Board, and the plaintiff in any such foreclosure action 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 Condominium Unit, refurbish it for rental up to a reasonable standard for comparable rental Condominium Units in similar condominium developments, rent the Condominium Unit or 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 Condominium Unit, then to cost, fees, and charges of the foreclosure action, then to the payment of the delinquent assessment charges.
- 18.J. Rental Agreement. Subject to any prior rights of any mortgagee, if any Condominium Unit is rented by its owner, the Board may collect and the tenant or lessee shall pay over to the Board so much for the rent for such Condominium Unit 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 of the Condominium Unit 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.

- 19. <u>INSURANCE</u>. The insurance which shall be carried upon the property shall be governed by the following provisions:
- 19.A. Insurance Coverage. The Board of Trustees shall obtain and maintain at all times as a common expense such policy or policies of insurance and bonds which are required to provide:

19.A.(1) fire insurance, with extended coverage endorsement, including such other risks as from time to time customarily shall be covered with respect to buildings similar in construction, location and uses as this building, including but not limited to, vandalism, malicious mischief, windstorm, sprinkler leakage and water damage, in an amount equal to the full insurable replacement value (without deduction for depreciation, but equal to 100% of current replacement cost exclusive of land, foundations, excavation, and other items normally excluded from calculation of replacement cost) of the common areas, limited common areas and all Condominium Units and appurtenances thereto, including fixtures, building, sewer equipment and other equipment within the Condominium Unit which are financed under the condominium or Condominium Unit mortgages, with the Board named as insured as trustee for the benefit of owners and mortgagees as their interest may appear, or such other fire and casualty

insurance as shall give substantially equal or greater protection insuring the owners, and their mortgagees, as their interest may appear. Said policy or policies shall provide for separate protection for each Condominium Unit to the full insurable replacement value thereof, and a separate loss payable endorsement in favor of the mortgagee or mortgagees of each Condominium Unit, if any. All insurance shall be obtained from an insurance carrier rated A, Class X or better financial category by Best's Insurance Reports or equivalent rating services, and licensed to do business in the State of Washington. All such policies shall be reviewed at least annually by the insurance company affording coverage and the Board to continuously reflect the full insurable replacement value, with an Agreed Amount Endorsement or its equivalent, if available, or an Inflation Guard Endorsement:

19.A.(2) General comprehensive liability insurance insuring the Board, the Association, and the owners against any liability to the public or to the owners of Condominium Units and the common areas, and Condominium Units (including, but not limited to owned and non-owned automobile liability, water damage, attractive nuisance liability, and garage keeper's liability, and such other risks as shall customarily be covered with respect to buildings similar in construction, location and use), with a severability of interest endorsement or equivalent, the liability under which insurance shall be not less than One Million Dollars (\$1,000,000.00) for any one person injured, One Million Dollars (\$1,000,000.00) for property

damage (such policy limits to be reviewed at least annually by the Board and increased in its discretion);

19.A.(3) Workmen's compensation insurance to the extent required by applicable laws;

19.A.(4) Fidelity bonds naming the members of the Board, the manager or such other persons as may be designated by the Board as principals and the Board in trust for Condominium Unit owners as obliges, in an amount equal to the total annual assessments for operating expenses, insurance, and reserves. Such bonds shall include as principals employees of any professional manager employed by the Association and also shall contain an endorsement waiving any defense by the insurer to liability based upon exclusion of an uncompensated person or officer from the definition of "employee" or similar definition limited the scope of coverage;

19.A.(5) Insurance against loss of personal property of the Association by fire, theft and other losses with deductible provisions as the Board deems advisable;

19.A.(6) Coverage in the nature of business interruption insurance to assure the payment to the Association of assessments for common expenses owing on account of ownership of a Condominium Unit which has been uninhabitable by fire or other casualty; and

19.A.(7) Such other insurance as the Board deems advisable.

19.B.1 Condominium Owner Policies: Each Owner shall, at their own expense, obtain insurance ("Owner's Individual Insurance") respecting their Condominium Unit

and obligations under the Declaration as provided herein. Owner's individual insurance coverage shall be written on a condominium unit owners' policy form, and must include personal liability coverage with limits of at least Three Hundred Thousand Dollars (\$300,000) combined single limit bodily injury and property damage. A Tenant who is renting or leasing a Condominium Unit shall provide general liability renter's insurance in the same amounts and with the same terms as that required for Owner's Individual Insurance.

The Board may, from time to time, adopt rules which set additional or greater requirements for Owner's Individual Insurance coverage, including the minimum amount of Building Coverage and Liability Coverage to be included and the maximum amount of the permissible deductible. Each Owner shall request its insurer to name the Association as an additional insured on each Owner's Individual Insurance policy and to provide the Association with a minimum notice of cancellation or non-renewal of thirty (30) days. If the coverage required under this Subsection is not reasonably available, the Owner shall provide proof of that unavailability to the Board.

Neither the Association, nor the Board nor the Manager shall be liable for the failure of a Condominium Unit Owner to obtain and maintain the insurance coverage required under this Subsection. No Owner shall be entitled to exercise their 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 the Owners, will realize under any insurance policy which the Board may have to force on the Condominium at any particular time. Each Owner is required and agrees to notify the Board of all

improvements by the Owner to their Condominium Unit the value of which is in excess of Ten Thousand Dollars (\$10,000.00).

- 19.B.2. <u>Liability for Uninsured Amounts</u>. Notwithstanding any other provision of this Declaration, including Section 19.A, and except to the extent that a lack of insurance results from the negligence or breach of a duty to insure by the Board:
 - applicable insurance deductible or otherwise uninsured amount shall be the responsibility of an individual Condominium Unit Owner where the damage results from a negligent or intentional action or omission by an Owner, or that Owner's Tenant, or the family, servants, employees, agents, visitors or licensees of that Owner or Tenant, or from the failure of or failure to maintain any portion of the Condominium, including any appliance, equipment, or fixture in a Condominium Unit, which that Owner is responsible to maintain in good working order and condition.
 - 19.B.2.2 Except as provided in Paragraph 19.B.2.3, and except where the damage is a result of the sole fault of the Association, the liability for the amount of damage, within the limits of any applicable insurance deductible on a policy of insurance issued to the Association shall be the responsibility of an individual Condominium Unit Owner where the damage involved is limited solely to damage to that Owner's Condominium Unit or the Limited Common Areas assigned to that Owner's Condominium Unit.
 - 19.B.2.3 Except as provided in Paragraphs 19.B.2.2 and except where the damage is a result of the sole fault of the Association, liability for the amount

of damage within the limits of any applicable insurance deductible on a policy of insurance issued to the Association shall be prorated between the Association and any involved Owners in proportion to the relative amounts of damage to the Areas and to each of the affected Condominium Units, including the Limited Common Areas assigned to such Condominium Unit or Units, where the damage involves both the Common Areas and/or one or more Condominium Units or the Limited Common Areas assigned to a Condominium Unit or Units.

- 19.C. Insurance Trustee; Payment of Insurance Proceeds. The Board may designate a bank or trust company as the Board's agent for negotiating insurance claims over Fifteen Thousand Dollars (\$15,000.00), and receiving payment of insurance proceeds pursuant to such claims. The designated bank or trust company shall have the exclusive right and authority to negotiate, settle, compromise and receive payment upon any claim over Fifteen Thousand Dollars (\$15,000.00) under any insurance obtained by the Association and the insurer may accept a release and discharge of liability from such bank or trust company on behalf of the named insureds under the policy, including mortgagees. Except as its appointment may be revoked by substitution of a different bank or trust company, or otherwise, the right and authority of the designated bank or trust company is not subject to control by the Board, the Association or any other named insured.
- 19.D. Additional Policy Provisions. The insurance policies required under subparagraph 19A shall:
 - 19.D.(1) provide that the liability of the insurer thereunder shall not be affected by, and that the insurer shall not claim any right of setoff, counterclaim,

apportionment, proration, or contribution by reason of any other insurance obtained by or for any Condominium Unit owner;

19.D.(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 Condominium Unit owner or any other person under the direction of either of them;

19.D.(3) provide that such a policy may not be cancelled or its coverage reduced (whether or not requested by the Board and whether or not for premium nonpayment) except by the insurer giving at least thirty (30) days prior written notice thereof to the Board and every other person in interest who shall have requested such notice of the insurer, including, without limitation, those who service loans on behalf of the Federal National Mortgage Association (FNMA);

19.D.(4) contain a waiver by the insurer of any right of subrogation to any right of the Board, the Association or any owner, their guests, agents or servants against the owner or lessee of any Condominium Unit, their guests, agents, servants, the Board or the Association;

19.D.(5) provide that, notwithstanding any provisions thereof which give the insurer the right to elect to restore damage in lieu of making a case settlement, such option shall not be exercisable without the prior written approval of the Association (or any Insurance Trustee) or when in conflict with the provisions of any Insurance Trust Agreement to which the Association may be a party, or any requirement of law;

19.D.(6) in addition, the insurance policy required under paragraph 19A(1) shall contain a standard mortgagee clause which shall:

19.D.(6)(a) provide that any reference to a mortgagee in such policy shall mean and include all holders of mortgages of any Condominium Unit or Condominium Unit lease or sublease of the project, in their respective order of preference, whether or not named therein;

19.D.(6)(b) provide that such insurance as to the interest of any mortgagee shall not be invalidated by any act or neglect of the Board or Condominium Unit owners or any persons under any of them;

19.D.(6)(c) waive any provision invalidating such mortgage clause by reason of the failure of any mortgage to notify the insurer of any hazardous use or vacancy, any requirement that the mortgagee pay any premium thereon, and any contribution clause; and

19.D.(6)(d) provide that without affecting any protection afforded by such mortgagee clause, any proceeds payable under such policy over Fifteen Thousand Dollars (\$15,000.00) shall be payable to the insurance trustee, if one be designated, or if none, and in any event if under Fifteen Thousand Dollars (\$15,000.00) shall be payable to the Board as trustee for the owners and their mortgagees.

19.E. FNMA. Notwithstanding any other provisions herein, the Association shall continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements for condominium projects established by the Federal National Mortgage Association so long as it is a mortgagee

or owner of a condominium within the project, except to the extent such coverage is not available or has been waived in writing by Federal National Mortgage Association.

19.F. Amendment. This section 19 shall not be amended without the consent of all the institutional holders of mortgages of record.

20. DAMAGE AND DESTRUCTION.

20.A. Initial Board of Trustees Determinations. In the event of damage or destruction to any part of the common areas, the Board of Trustees shall promptly, and in all events within fifteen (15) days after the date of damage or destruction, employ such persons to give advice as the Board deems advisable, and making the following determinations with respect thereto:

20.A.(1) the nature and extent of the damage or destruction, together with an inventory of the improvements and property directly affected thereby;

20.A.(2) a reasonably reliable estimate of the cost to repair and restore the damage and destruction, which estimate shall, if reasonably practicable, be based upon two or more firm bids obtained from responsible contractors;

20.A.(3) the anticipated insurance proceeds, if any, to be available from insurance covering the loss based on the amount paid or initially offered by the insurer;

20.A.(4) the amount, if any, that the estimated cost of repair and restoration exceed the anticipated insurance proceeds therefor and the amount of assessment to each Condominium Unit if such excess was paid as a maintenance expense and specially assessed against all the Condominium Units in proportion to their percentage of interest in the common areas;

20.A.(5) the Board's recommendation as to whether such damage or destruction should be repaired or restored; and

20.A.(6) the Board shall promptly, and in all events within twenty (20) days after the date of damage or destruction, provide each owner and each mortgagee with a written notice summarizing the initial Board determination made herein and calling for a meeting of the members to act thereon. If the Board fails to do so within said twenty (20) days, then any owner or mortgagee may make the determinations required herein and give the notice required herein.

20.B. Proceeds Sufficient. In case of fire, or any other occurrence covered by insurance policies issued to the Association, causing any damage or destruction to any Condominium Unit or common areas, the insurance proceeds shall be applied toward the reconstruction of the building damaged if they are sufficient for this purpose. Reconstruction, as used in this paragraph, means restoring the buildings to substantially the same condition in which they existed prior to the fire or other occurrence, with each Condominium Unit and the common area having the same vertical and horizontal boundaries as before. Modifications to conform to then applicable governmental rules and regulations may be made. Such reconstruction shall be accomplished by the Board with work to begin as promptly as possible after such damage. The Board shall have the authority to employ an architect, advertise for bids and let contracts to contractors and others as required to effect the reconstruction. The Board may authorize the insurance company to proceed with the reconstruction upon satisfaction of the Board that such reconstruction will be appropriately carried out.

20.C. Proceeds Insufficient. If the insurance proceeds are insufficient to repair or reconstruct the buildings, damage to or destruction of the buildings nevertheless shall be repaired and restored by the Board unless a decision not to repair or restore is made by concurrence of seventy-five percent (75%) of the total voting power at a meeting to be held within forty (40) days. Failure of the Board, owners or mortgagees to convene such a meeting within ninety (90) days after the damage or destruction shall be deemed a unanimous decision not to undertake such repair or restoration work. Work on such repair and restoration shall begin as promptly as possible after such damage. All Condominium Unit owners shall be liable for assessments for any deficiency as a common expense.

20.D. Building Not Rebuilt. In the event of a decision not to repair and restore damage as set forth above, the Board may nevertheless expend such of the insurance proceeds as may be necessary to remove the remains of the building and place the site in condition required by any applicable governmental rule or regulation, or in such condition as the Board may determine is necessary to reasonably protect the owners from liability from the condition of the site. If the building is not to be rebuilt, the remaining funds thereafter shall be held by the Board as trustee for and shall be distributed to the unit owners and their mortgagees, including the owners and mortgagees of the Condominium Unit so damaged or destroyed, in accordance with their respective interests as set forth in RCW 64.32.230. Nothing contained herein shall be deemed to establish a priority in favor of any Condominium Unit owner or other property over any institutional mortgagee with respect to the distribution to such owner or party, of any insurance proceeds.

- 20.E. Settle Claims. The Board may enter into a written agreement in recordable form with any reputable financial institution or trust or escrow company that such firm or institution shall act as Insurance Trustee to adjust and settle any claim for such loss in excess of \$15,000.00, or for such firm or institution to collect the insurance proceeds and carry out the provisions of this paragraph.
- 20.F. Binding on Mortgagees. Any action taken pursuant to paragraph 20 herein shall be binding upon any and all mortgagees whether institutional or otherwise and without regard to whether some or all of the proceeds might otherwise have been payable to any such mortgagee.
- 21. <u>MORTGAGEE'S RIGHTS AFTER FORECLOSURE: MORTGAGEE</u>
 PROTECTION.
- 21. A. The following provisions shall govern a mortgagee's rights after foreclosure:

The event any mortgage becomes bound by this Declaration by granting one or more partial releases, or otherwise, or forecloses its mortgage, or acquires a deed in lieu of foreclosure, and obtains possessory rights, legal title, or certificates of sale to the Condominium Unit and appurtenant common and limited common areas covered by the deed of trust or mortgage, then the mortgage of the condominium may succeed to and assume, to the exclusion of the Mortgagor, all rights, powers, immunities, privileges and authority of the Mortgagor as set forth in this Declaration and the Association's bylaws;

21.A.(2) Appointment of Receiver. The mortgagee shall be entitled to appoint a receiver during the pendency of any judicial or nonjudicial foreclosure proceedings and said receiver shall immediately, upon appointment, succeed to and

assume, to the exclusion of the Mortgagor, all rights, powers, immunities, and authority of the Mortgagor as set forth in this Declaration and the Association's bylaws.

- 21.B. Partition. The owners shall not partition any Condominium Unit or any of the common or limited common areas, or other appurtenances thereto, or accept any proposal to do so, without the prior written approval of all affected mortgagees. All such consents shall be deemed given thirty (30) days after written notice by the Association to any mortgagee unless such mortgagee objects in writing.
- 21.C. Change in Percentages. Except as provided in paragraph 3 or subparagraph 10B herein, the owners, shall not change the percentages of interest in the common areas without the prior written approval of all mortgagees of the Condominium Units for which the percentages would be changed. All such consents shall be deemed given thirty (30) days after written notice by the Association to any mortgagee unless such mortgagee objects in writing. In any event consent shall not be unreasonably withheld.
- 21. D Amendments to Condominium Documents. No amendment of this Declaration of the Association's bylaws shall be effective to modify, change, limit or alter the rights conferred upon mortgagees with respect to any unsatisfied mortgage duly recorded unless the amendment shall be consented to in writing by the holder of such mortgage, which consent shall not be unreasonably withheld. All mortgagees shall be given thirty (30) days prior written notice of all changes, additions or amendments to this Declaration, the Association's bylaws and the Association's house rules and regulations, if any, except as otherwise specifically set forth in subparagraphs 21C and D herein. Without limiting the generality of the foregoing, no amendment may be made

to paragraph 19, paragraph 20, paragraph 21, or paragraph 23, without the prior written consent of all then existing mortgagees, which consent shall not be unreasonably withheld.

- 21.E. Insurance. Where a Condominium Unit mortgagee has filed a written request with the Board, the Board (or if appropriate, the Board's insurance trustee) shall:
 - 21.E.(1) furnish the mortgagee with a copy of any insurance policy which is intended to cover the property on which the mortgagee has a lien;
 - 21.E.(2) require any insurance carrier to give such mortgagee at least thirty (30) days written notice before cancelling or reducing the coverage or limits of any insurance with request to the property on which the mortgagee has a lien (including cancellation for premium nonpayment);
 - 21.E.(3) not make any settlement of any insurance claims for loss or damage to any Condominium Unit, common area, or limited common area exceeding \$2,500.00, without the approval of any affected mortgagee; provided, that such approval shall not be unreasonably withheld and approval shall be deemed given thirty (30) days after written notice by the Board to any mortgagee of such settlement unless any such mortgagee objects in writing;
 - 21.E.(4) give the mortgagee written notice of any loss, damage, or taking affecting common areas, if such loss or taking exceeds \$10,000.00;
 - 21.E.(5) give the mortgagee written notice of any loss, damage or taking affecting any Condominium Unit or limited common areas in which it has an interest, if such loss, damage or taking exceeds \$1,000.00.

- 21.F. Pledge of Owner's Votes on Certain Matters. In the event the record owner or owners of any Condominium Unit have pledged their vote regarding special matters to a mortgagee under a duly recorded mortgage and written evidence of such pledge has been filed with the Board of Trustees, only the vote of the mortgagee will be recognized with regard to the special matter upon which the vote is so pledged.
- 21.G. Register of Mortgagees. The Association shall establish a register of mortgagees in which each mortgagee of a Condominium Unit shall be listed, together with the Condominium Unit number upon which such mortgagee has a mortgage, and the mailing address of each mortgagee pursuant to which all notice to be provided mortgagees as set forth in this Declaration and in the bylaws shall be mailed. Each Condominium Unit owner or their mortgagee shall provide the Secretary of the Association with the information required herein, including notification of change of mortgagee and change of mortgagee's address.

Upon registration, all first mortgagees, whether institutional or otherwise, shall be entitled to written notification from the Association of any default in the performance of obligations under the condominium documents by its mortgagor which is not cured within thirty (30) days. The term "condominium documents" includes this Declaration of Condominium, the bylaws of the Association, and any rules and regulations adopted by the Association and all lawful amendments thereto.

21.H. Inconsistency. If any terms, conditions or provisions of this paragraph 21 are inconsistent with or conflict with other terms or provisions contained in this Declaration or the bylaws, then the terms, conditions and provisions contained in this paragraph 21 shall prevail over an inconsistent or conflicting provisions.

22. <u>DELEGATION TO MANAGER</u>. The Board of Trustees, by express resolution of a majority of the Board, may delegate any of its duties, powers, or functions to any person or firm appointed to act as Manager of the property.

23. CONDEMNATION.

- 23.A. Consequences of Condemnation; Notices. If at any time 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 avoidance thereof, the provisions of this paragraph shall apply. Upon any such act, each mortgagee shall be provided with timely written notice of any proceeding or proposed acquisition or sale.
- 23.B. Proceeds. All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "condemnation award" shall be payable to the Board of Trustees in trust for the owners, all mortgagees, and other lienholders and encumbrancers as their interests may appear.
- 23.C. 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 hereto shall terminate. The condemnation award shall be apportioned among the owners in proportion to their 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 principle, 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 share shall then be distributed to each owner respectively. Nothing contained herein shall be deemed to entitle a Condominium Unit owner or other party to priority over any mortgagee with respect to the distribution to such Condominium Unit owner of proceeds of any award or settlement.

- 23.D. 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. Each owner shall be entitled to a share of the condemnation award to be determined in the following manner:
 - 23.D.(1) as soon as practicable the Board shall, reasonably and in good faith, allocate the condemnation award between compensation, severance damage, or other proceeds;
 - 23.D.(2) the Board shall apportion the amounts so allocated to a taking of or injury to the common areas which in turn shall be apportioned among the owners in proportion to their respective undivided interests in the common areas;
 - 23.D.(3) the total amount allocated to severance damages shall be apportioned to those Condominium Units which were not taken or condemned;
 - 23.D.(4) the respective amounts allocated to the taking or of injury to a particular Condominium Unit and/or improvements an owner had made within his

own Condominium Unit shall be apportioned to the particular Condominium Unit involved;

- 23.D.(5) the amount allocated to consequential damages and any other taking or injury shall be apportioned as the Board determines to be equitable in the circumstances;
- 23.D.(6) 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;
- 23.D.(7) distribution of apportioned proceeds shall be made to the respective owners and their respective mortgagees in the manner provided in subparagraph 23C.
- 23.E. Reconstruction and Repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in paragraph 20 herein, provided that the Board may retain and apply such portion of each owner's share of the condemnation award as is necessary to discharge said owner's liability for any special assessment arising from the operation of said paragraph 20.

25. AMENDMENT OF DECLARATION, SURVEY MAP, AND PLANS.

25.A. Declaration. Amendments to the Declaration shall be made in an instrument in writing entitled "Amendment to Declaration" which sets forth the entire amendment. Except for amendments which have been adopted by the Declarant or may be adopted by the Board of Trustees as provided for in this Declaration, including but not limited to the power specified in paragraph 3, and except as otherwise specifically

provided for in this Declaration or in the bylaws, any proposed amendment must be approved by a majority of the Board prior to its adoption. Thereafter, amendments shall be adopted at a meeting of the owners if at least two-thirds (2/3) of the voting power votes for such amendment at a special meeting called for that purpose or if two-thirds (2/3) of the voting power consents to such amendment in writing and if the consent of each holder of a first mortgage is obtained in writing prior to recording as to each amendment material to a mortgagee, including, but not limited to amendments which change the percentage interests of the unit owners. Amendments pursuant to this paragraph shall bear the signature of the president of the Association and shall be attested to by the secretary, who shall state whether the amendment was adopted properly, and shall be acknowledged by them as officers of the Association. Amendments once properly adopted shall be effective upon recording in the office of the Auditor of Snohomish County, Washington. Subject to the power of amendment specified in paragraph 3 and subparagraph 10B, any decision changing the values and percentages of interest expressed herein shall require the unanimous consent of the Condominium Unit owners and all mortgagees who hold mortgages on any Condominium Unit created herein. It specifically is covenanted and understood that any amendment to this Declaration properly adopted will be completely effective to amend any or all of the covenants, conditions, clauses, and restrictions contained herein which may be affected unless otherwise specifically provided for therein.

25.B. Survey Maps and Plans. Except as otherwise provided herein, the Survey Map and Plans may be amended by revised versions thereof referred to in and described as an amendment to the Declaration adopted as provided for in

subparagraph 25A. Except as provided in paragraphs 3 and 10B, copies of any such proposed amendment to the Survey Map and Plans also shall be made available for the examination of every owner at least seven (7) days prior to the owners meeting called to consider said amendment. Such amendment to the Survey Map and Plans also shall be effective, once properly adopted, upon recording in the office of the Auditor of Snohomish County, Washington.

26. PROFESSIONAL MANAGEMENT. The Association may employ professional management to manage the 4th Avenue Village Condominium Units. Any agreement for professional management shall include a clause permitting cancellation without cause on thirty (30) days written notice and shall not exceed a one-year term which may be renewable by agreement of the parties for successive one-year periods. The prior written approval of each holder of a first mortgage lien on any Condominium Unit shall be required for any decision to terminate professional management and assume self-management.

27. COMPLIANCE AND DEFAULT.

27.A. Bylaws. Each Condominium Unit owner shall be governed by and shall comply with the provisions of this Declaration, the Association's bylaws, and all rules and regulations adopted by the Board pursuant thereto, as each may be amended from time to time. The failure of any owner to comply with any such provision shall be grounds for relief which may include, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, which relief may be sought by the Board of Trustees on behalf of the Association, or, if appropriate, by an aggrieved Condominium Unit owner.

- 27.B. Neglect of Owner. Each Condominium Unit owner shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by their neglect or carelessness or by that of any member of their family or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of any Condominium Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation should such waiver be provided for by an insurance policy carried by the Association.
- 27.C. Costs and Attorney's Fees. The Board of Trustees shall be entitled to recover, on behalf of the Association, any costs and reasonable attorneys' fees incurred by reason of a Condominium Unit owner's failure to strictly comply with this Declaration, Bylaws, or Rules and Regulations of the Association, and/or a Condominium Unit owner's neglect, whether or not such activities result in suit being commenced or prosecuted to judgment. In addition, the Board shall be entitled to recover costs and reasonable attorney's fees if it prevails on appeal and in the enforcement of a judgment.
- 27.D. Waiver. The failure of the Board to enforce any right, provision, covenant, or condition which may be provided for in this Declaration shall not constitute a waiver of the right to enforce such right, provision, covenant, or condition in the future. 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 by the Board.

- 27.E. Remedies Cumulative. All rights and remedies hereunder granted to the Association and to the Board shall be deemed to be cumulative, and the exercise of any on or more shall not be deemed to constitute an election of remedies nor shall it preclude the Association or Board from exercising such other and additional rights, remedies, privileges as may be granted to such party by this Declaration or at law or in equity.
- 28. <u>LIMITATION OF LIABILITY</u>. Neither the Association nor the Board of Trustees shall be liable for any failure of any utility or other service to be obtained and paid for hereunder, 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 pipes, drains, conduits, appliances, or equipment, or from any other place. No diminution or abatement of common expense assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the common areas, or from any action taken to comply with any law, ordinance, or orders of a governmental authority. This paragraph shall not be interpreted to impose any form of liability by implication upon the Board or the Association.
- 29. <u>INDEMNIFICATION</u>. Each member of the Board of Trustees, each officer, and each Association member, shall be indemnified by the owners, out of the common expense fund, against all expenses, damage, injury and liabilities including attorney's fees, reasonably incurred by or imposed upon them in connection with any

proceeding to which they may be a party, or in which they may become involved, by reason of their being or having been a member of the Board, an officer of the Association, or a member of the Association, or any settlement thereof, except in such cases wherein the member of the Board, the officer or member of the Association, is adjudged guilty of willful misfeasance or malfeasance in the performance of their duties, except in proceedings brought by the Association against a trustee, officer or member and except where such expenses and liabilities, damage or injury is covered by some type of insurance. In the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Association.

- 30. <u>INTERPRETATION</u>. The provisions of this Declaration shall be construed liberally to effectuate their purpose of creating a uniform plan for the development and operation of this horizontal property regime. It is intended also that, insofar as it affects this Declaration of Condominium, the provisions of the Act referenced herein under which this Declaration is operative be liberally construed to effect the intent of this Declaration insofar as is reasonably possible. If there are conflicts or inconsistencies between this Declaration and the bylaws of the Association, the terms and provisions of this Declaration shall prevail, and the Condominium Unit owners hereby covenant to vote in favor of such amendments in the bylaws as will remove such conflicts or inconsistencies.
- 31. <u>COVENANTS RUNNING WITH THE LAND</u>. All provisions of this Declaration shall be construed to be covenants running with the land and with every part thereof and interest therein including but not limited to every Condominium Unit and

the appurtenances thereto; and every Condominium Unit owner and claimant of the property or any part thereof or interest therein, and his heirs, executors, administrators, successors, lessees, tenants and assigns shall be bound by all of the provisions therein.

It specifically is covenanted that any discontinuance of this condominium or removal of the property from the provisions of the Act also shall terminate and discontinue the effect of any and all of the covenants, conditions and restrictions set forth herein and all provisions of the Survey Map and Plans, unless otherwise specifically provided for by recorded amendment to this Declaration, and, if required, to the Survey Map and Plans.

- 32. <u>SEVERABLE</u>. If any provision of this Declaration, or any paragraph, sentence, clause, phrase, or word or the application thereof in any circumstances to be held invalid, then the same shall be considered severable from, and not to affect the validity of the remainder of this Declaration.
- 33. <u>CAPTIONS</u>. Captions used in this Declaration are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text hereof.
- 34. <u>EFFECTIVE DATE</u>. This Declaration shall take effect upon recording in the office of the Snohomish County Auditor.
- 35. REFERENCE TO SURVEY MAP AND PLANS. The Survey Map and Plans of the building referred to herein and required to be filed with RCW 64.32.100 were recorded with the Auditor of Snohomish County, Washington, simultaneously with the recording of the original Declaration under receiving No. 7812130193 in Volume 39 of Condominiums, pages 36-40. Records of Snohomish County, Washington.

Amendments to the survey map and plans have been recorded under Snohomish County Auditor Nos. 7909110352, 802285010, and 8004285005.

Dated this 31 Day of October, 2018.

4th AVENUE VILLAGE OWNERS ASSOCIATION, a Washington Non-Profit Association

Its President

Attest: The above Amendment was properly adopted.

State of Washington)) ss.
County of Snohomish)

EUZABETH DALE

I certify that I know or have satisfactory evidence that TENNIFER SNOW is TAKE
the person who appeared before me, and said person acknowledged that they signed
this instrument, on oath stated that they are authorized to execute this instrument as the
President of 4th Avenue Village Owners Association to be the free and voluntary act of
such party of the uses and purposes mentioned in the instrument.

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

Dated 31^{5t}, day of October, 2018.

DORIS ZWICK-WELCH Notary Public State of Washington Commission # 172593 My Comm. Expires Jul 1, 2022 Print Name: TORIS ZINICK - WEI CH NOTARY PUBLIC in and for the State of Washington residing in EVEREII My appointment expires OTO 1 2022

EXHIBIT A

LEGAL DESCRIPTION FOR PHASE 1 OF THE 4TH AVENUE VILLAGE. A CONDOMINIUM

A PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 28 NORTH, RANGE 4 EAST, W.M., SITUATED IN SNOHOMISH COUNTY, STATE OF WASHINGTON DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE PLAT OF MARINER SQUARE AS PER PLAT, RECORDED IN VOLUME 37 OF PLATS, ON PAGE 129 RECORDS OF SNOHOMISH COUNTY; THENCE N89°09'17"W ALONG THE SOUTH BOUNDARY OF SAID PLAT OF MARINER SQUARE FOR 373.08 FEET; THENCE S00°50'43"W FOR 450.00 FEET; THENCE S89°09'17"E PARALLEL WITH THE SOUTH BOUNDARY OF SAID PLAT OF MARINER SQUARE FOR 140.00 FEET; THENCE N00°50'43"E FOR 130.00 FEET; THENCE S89°09'17"E PARALLEL WITH THE SOUTH BOUNDARY OF SAID PLAT OF MARINER SQUARE FOR 234.91 FEET TO A POINT ON THE WESTERLY EDGE OF A COUNTY ROAD, SAID POINT BEARS S00°31'05"W FROM THE TRUE POINT OF BEGINNING; THENCE N00°31'05"E ALONG THE WESTERLY EDGE OF A COUNTY ROAD FOR 320.01 FEET TO THE TRUE POINT OF BEGINNING.

LEGAL DESCRIPTION FOR PHASE 2 OF THE 4TH AVENUE VILLAGE, A CONDOMINIUM

A PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 28 NORTH, RANGE 4 EAST, W.M. SITUATED IN SNOHOMISH COUNTY, STATE OF WASHINGTON, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE PLAT OF MARINER SQUARE AS PER PLAT, RECORDED IN VOLUME 37 OF PLATS, ON PAGE 129. RECORDS OF SNOHOMISH COUNTY; THENCE N89°09'17"W, ALONG THE SOUTH BOUNDARY OF SAID PLAT OF MARINER SQUARE, FOR 373.08 FEET: THENCE S00°50'43"W FOR 450.00 FEET; THENCE S89°09'17"E, PARALLEL WITH THE SOUTH BOUNDARY OF SAID PLAT OF MARINER SQUARE, FOR 108.62 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUE \$89°09'17"E FOR 31,38 FEET; THENCE N00°50'43"E FOR 130.00 FEET; THENCE S89°09'17"E, PARALLEL WITH THE SOUTH BOUNDARY OF SAID PLAT OF MARINER SQUARE, FOR 234.91 FEET TO THE WESTERLY EDGE OF A COUNTY ROAD; THENCE \$00°31'05"W, ALONG SAID WESTERLY EDGE OF A COUNTY ROAD, FOR 343.02 FEET TO THE NORTHEAST CORNER OF THE PLAT OF AURORA HOMESITES DIVISION NO. 2 AS PER PLAT, RECORDED IN VOLUME 14 OF PLATS, ON PAGE 25, RECORDS OF SNOHOMISH COUNTY: THENCE N89°05'54"W, ALONG THE NORTH BOUNDARY OF SAID PLAT OF AURORA HOMESITES DIVISION NO. 2, FOR 268,25 FEET TO A POINT THAT BEARS \$00°50'43"W FROM THE TRUE POINT OF BEGINNING: THENCE N00°50'43"E FOR 212.75 FEET TO THE TRUE POINT OF BEGINNING.

LEGAL DESCRIPTION FOR PHASE 3 OF THE 4TH AVENUE VILLAGE, A CONDOMINIUM

A PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 28 NORTH, RANGE 4 EAST, W.M., SITUATED IN SNOHOMISH COUNTY, STATE OF WASHINGTON, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE PLAT OF MARINER SQUARE AS PER PLAT RECORDED IN VOLUME 37 OF PLATS, ON PAGE 129, RECORDS OF SNOHOMISH COUNTY; THENCE N89°09'17"W, ALONG THE SOUTH BOUNDARY OF SAID PLAT OF MARINER SQUARE, FOR 373.08 FEET TO THE TRUE POINT OF BEGINNING; THENCE S00°50'43"W FOR 331.51 FEET; THENCE N89°09'17"W, PARALLEL WITH THE SOUTH BOUNDARY OF SAID PLAT OF MARINER SQUARE, FOR 258.07 FEET TO THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 25; THENCE N00°30'41"E, ALONG SAID WEST LINE FOR 331.51 FEET TO THE SOUTHWEST CORNER OF SAID PLAT OF MARINER SQUARE; THENCE S89°09'17"E, ALONG THE SOUTH LINE OF SAID PLAT OF MARINER SQUARE FOR 260.00 FEET TO THE TRUE POINT OF BEGINNING.

LEGAL DESCRIPTION FOR PHASE 4 OF THE 4TH AVENUE VILLAGE. A CONDOMINIUM

THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 28 NORTH, RANGE 4 EAST, W.M.

EXCEPT THAT PORTION THEREOF LYING EAST OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE SOUTHEAST CORNER OF THE PLAT OF MARINER SQUARE, AS PER PLAT RECORDED IN VOLUME 37 OF PLATS, PAGE 129, RECORDS OF SNOHOMISH COUNTY;

THENCE N89°09'17"W, ALONG THE SOUTH BOUNDARY OF SAID PLAT OF MARINER SQUARE, FOR 373.08 FEET, TO THE TRUE POINT OF BEGINNING OF SAID LINE DESCRIPTION;

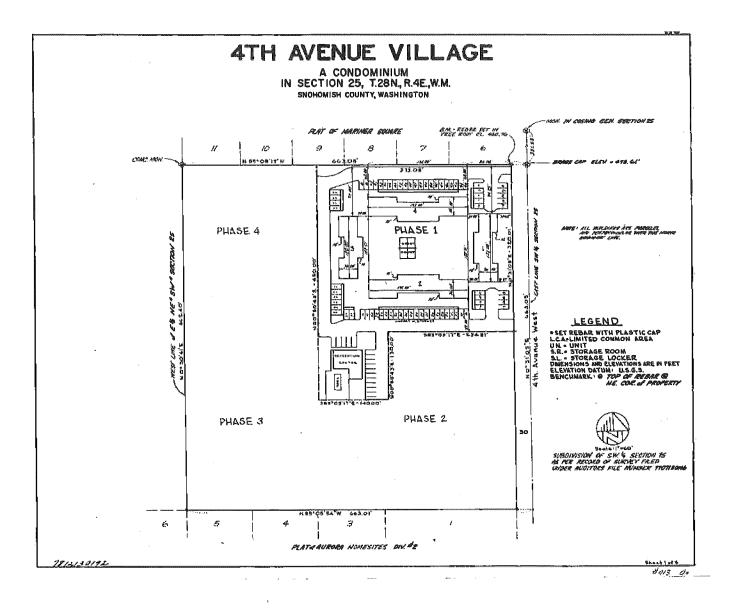
THENCE S00°50'43"W FOR 450.00 FEET;

THENCE SOUTH 89°09'17"E, PARALLEL WITH THE SOUTH BOUNDARY OF SAID PLAT OF MARINER SQUARE, FOR 108.62 FEET;

THENCE S00°50'43"W FOR 212.75 FEET TO THE NORTH BOUNDARY OF THE PLAT OF AURORA HOMESITES DIVISION NO. 2 AND THE TERMINATION OF SAID LINE DESCRIPTION.

SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

EXHIBIT B



4TH AVENUE VILLAGE

A CONDOMINIUM
IN SECTION 25, T.28N, R.4E.,W.M.
SNOHOMISH COUNTY, WASHINGTON

LEGAL DESCRIPTION "PHASE I"

A purrious of the Morthwest Quarter of the Scientista Quarter of Section 25, Township in Morth, Serge 4 East, W.M., situated in Section 19, Project State of Section 6 Section 21, 1981

sementian County, State of Weathouten described as follows: Reviewing as the Semblemest corner of the Tate Notices Square Fig. 1 which is the County State of The State of Semential In Volves JP of Thats, on Pays 179 Semential Of Semblemest County; them on Mayory 179 along the Double Described Fig. 183.00 (Section 183-00) 177 mg parties with the Ecounty of said Flat of Marianz Square for 375.00 feat; thence MEGOSO 187 boundary of said Flat of Marianz Double Described Fig. 183.00 (Section 183-00) 177 mg parties with the South Soundary of a said Flat of Marianz Square For 183.91 feat to a point on the Memberly ways of a county-read, and point beare along the Marianz For Spin of Section 183.01 feat to a point on the Memberly ways of a county-read, and point beare along the Marianz For Spin of Section 183.01 feat to the Tate Total Office of the Memberly ways of a county-read, and point of the Memberly ways of a county-read, and point of the Memberly ways of a county-read, and point of the Memberly of the Memberly Membe

TREADURER'S CHRIFICATION

t. The Change of the County, State of Sichemish County, State of Westington, no birary cortify that all tases on the above described taset of land have been paid up to and including the year 1935.

Andreas County Tenances

By Defects Endomine County Tenances

BUNVEYOR'S CENTIFICATE

I harely cartify that this plat of "4th Avenum Villege", a Condominion, is based upon an actual survey of the property herein described, that the courses and distances are shown controlly themson and the momentuare sot upon the ground as shown and that I have fully complied with the provisions of the statutes governing condominions.

B

Miles & Alexa, Registered Land Surveyor, Certificate No. 17962 Wight-Beide & McDuffy

LAND BURVEYOR'S CRATIFICATE

STATE OF MASHINETON) SE

I hereby cartify and varify that this plat of "Ath Aremas Willers", a condensions, is an accurate coly of portions of the building plan as filled with sund approved by the city of Severeth building biparabent, and that the plat accurately depicts the layout, numbers, Singuistics and continue of the apartments as kells.

> VECTOR R. ANDSS, PERSONNESS LAND SHEWARD CONTINUES NO 1786 E UNDON'T MEDO T SE COMO

SUBMINIST AND SWEEN REPORT ME THE LIVE DAY OF DELECTER, 1978.

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AUDITOR'S CERTIFICATION

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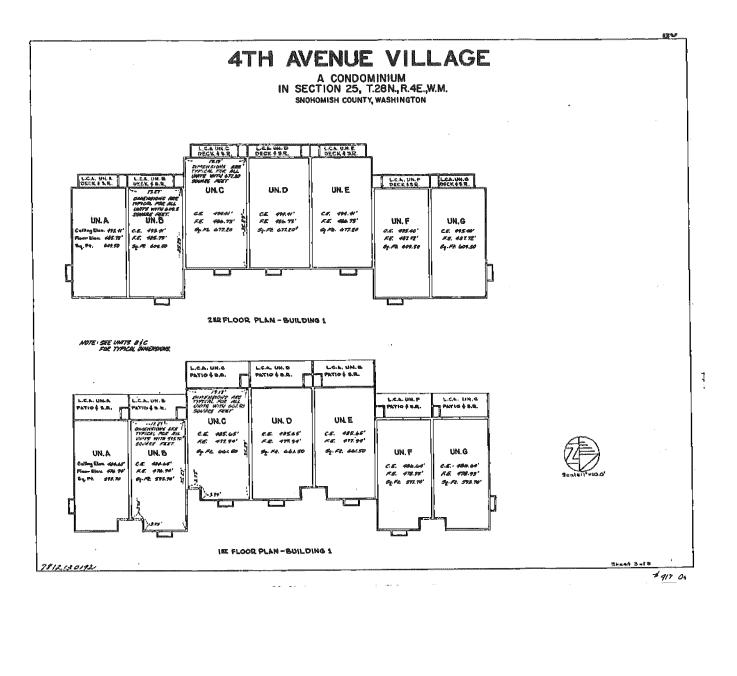
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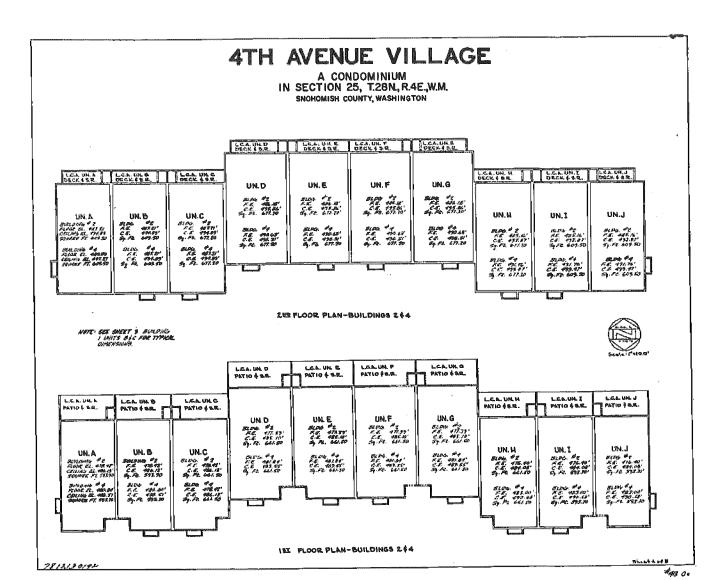
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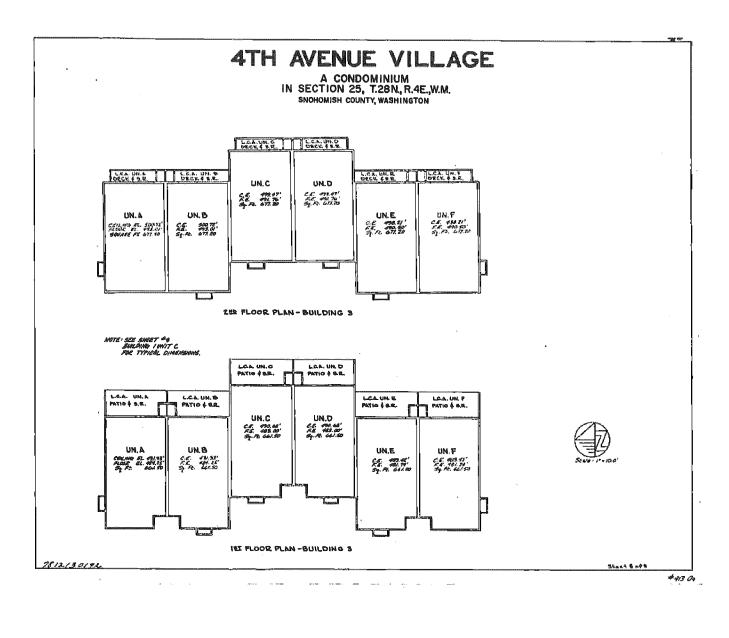
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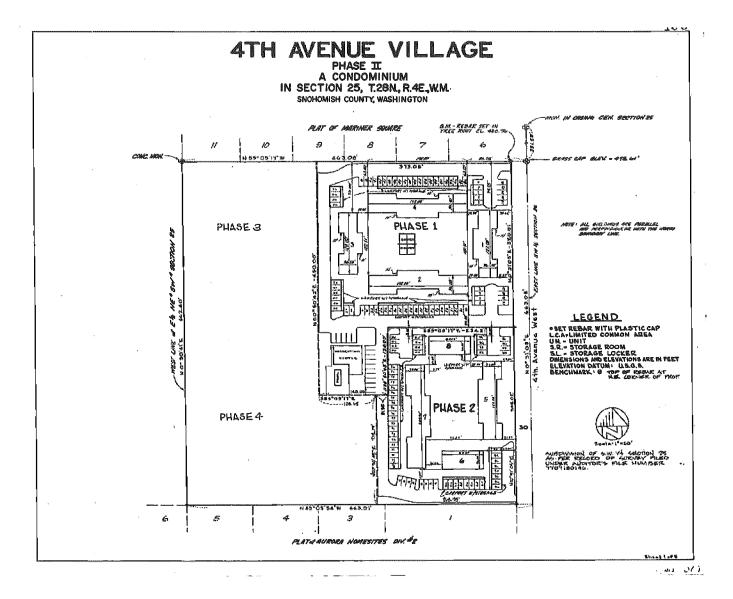
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4TH AVENUE VILLAGE PHASE II A CONDOMINIUM

IN SECTION 25, T.28N, R.4E,WM SNOHOMISH COUNTY, WASHINGTON

LEZAL OBSCHIPTION: PHRHE II

A portion of the Mortheset quarter of the Southwest quarter of Section 28, Township 28 Morth, Range 4 East, M.M. eleusted in Sondonish Geursty, State of Washington, described as failows:

TREASURER'S CESTIFICATION

1. High Source . Treasurer of Knobenish Dyunty, State of Machington, do hereby cartify that all cases on the above dearn had treat of land have been paid up to and including the year a state of the cartify that are including the

Anohom by County Supporter

7909110352 439 %

AUDITOR'S CERTIFICATION

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BURNELOWIN CERTIFICATE

I hereby certify that this plat of "tib Armore Villege, thise "It", a Condominium, is hased upon an actual murey of the property havelin discarging, that the coveres and distances or a shown corrisotly investment and the monoments are set upon the ground as shown and that there fully amplifued with the provisions of the accuracy operance consocia-



Jeans R. Andrew Republished Lond Surveyor, Carrellenia Se, 17389 Hight-Sards & Mucholfy

TYNG BREAKLINE, & CENATALCPLE

l heachy carridy and variety that this pint of "4th Avenue Village", a confidentieum in socurate copy of portions of the building pinn as filled in socurate copy of portions of the building pinn as filled in the building pinn as filled in the building operations, and that the plat the pashwalth pints the bay layout numbers, diseased on the building of the presentance or built.

Jenes W. Andrew Sudjetared Land Snewsyor, Cartificate No. 17382 Might-Sards A Refutty

SURPRIDATE VERIFICATION

State of Washington)
County of Snthemish)

. toling tiret on cath duly sworn, etatro that he is a Replatered Follows land Surveyor signing the shows Contificate, that he has examined these Plans and Survey map, and balleves the Certificate to be a true statement.

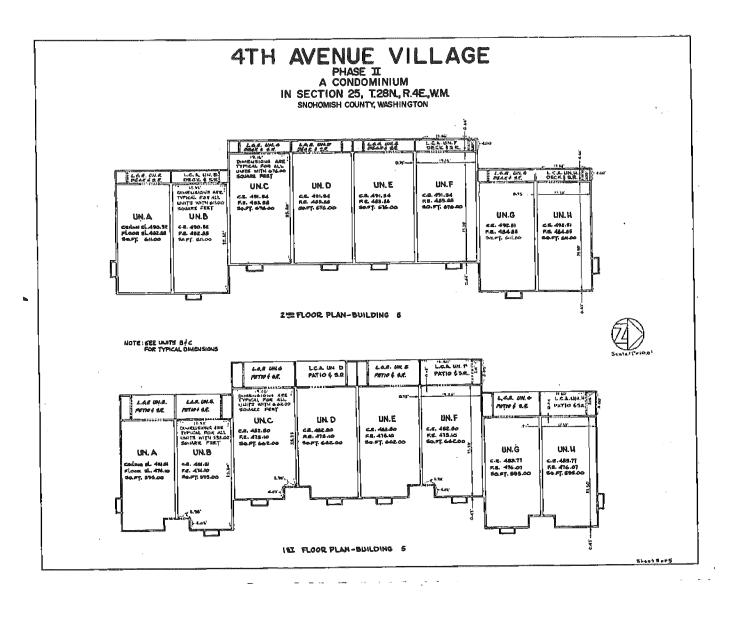
Softwared Professional Land Surveyor So. 1786 2

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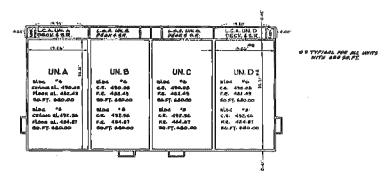
sorety Public In and for the State of Washington, casiding at format:

<u>BOICATION</u>

This pilet or any portion thereof shall be restricted by the terms of the desilection filed under shocked by Course markets of the desilection filed in volume at 11 mf the official Newtonia on pages 121 m the official legion, and by the terms of the amended beclaration filed under sechanian County and they rise makes 71991 0 3.55 and 2.55 and

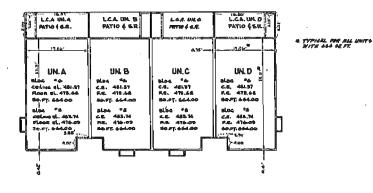


4TH AVENUE VILLAGE
PHASE IT
A CONDOMINIUM
IN SECTION 25, T.28N, R.4E,W.M. SNOHOMISH COUNTY, WASHINGTON

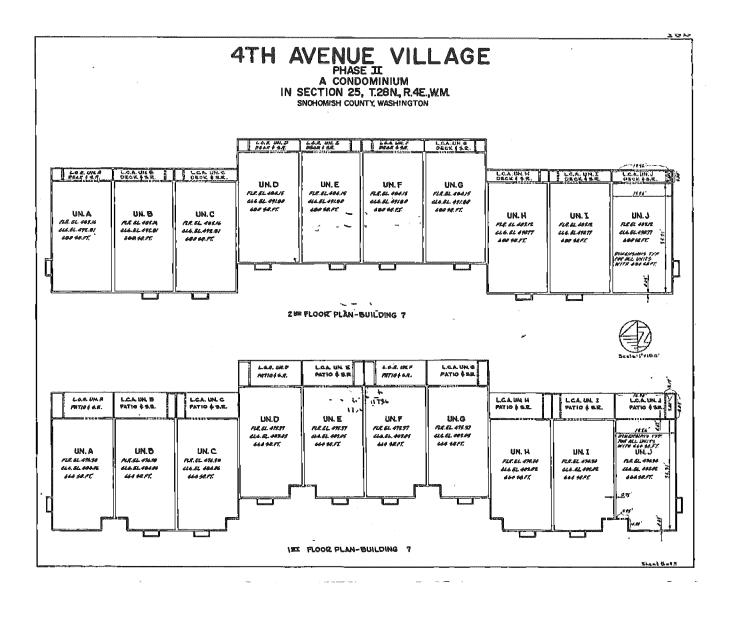


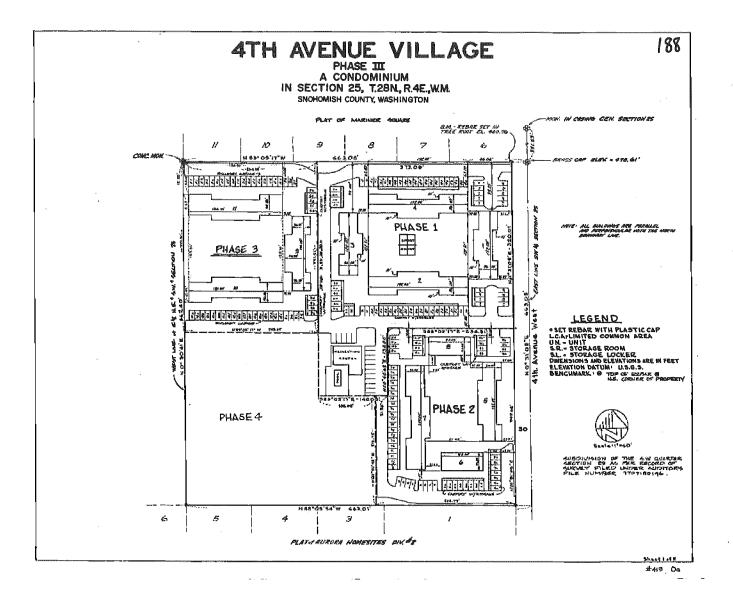
2 PLOOR PLAN-BUILDINGS 648





NET FLOOR PLAN-BUILDINGS 6 48





4TH AVENUE VILLAGE

PHASE III A CONDOMINIUM IN SECTION 25, T.28N., R.4E.,W.M. SNOHOMISH COUNTY, WASHINGTON

LECAL PRODUCTION, PHUSE 1

A portion of the Rutheast quarter of the Southwest quarter of Section 23 Normakip 28 North, harge I Yast, w.M., situated in Southman County, Place of Washington, described as fullows:

an amonomenan Compty, Notice of waterington, macriners and Inlico Commonitions at the Sometheast investor of the Puck of Nacionar Spants as per Flet reduced in Volume 37 of Flats, on Page 133, Saccode of tendential Volumey in American SPEP9717 w, a sloop of the Page 134, Second of tendential Volumey in American SPEP9717 w, a sloop feet to the Year Foliat of Regiments; thance 180920717 w, are the case the company in the Comption of the Comptio

8002285010 MIRLYORIA SPRIFTGAYE CATE

Filed for second at the request of the state of the state

Heary & Sibulan

By: Dopyny Shokenish County Auditor

TWE EBBRETON'S CENTIFICATE

least water the parties and variety that this place of "4th Avenus Village Conductation" is an economic copy of parties of the building play as filed with and approved by the Sookenish County dept. A parties of the p

Local C The Days House of the Surveyor, Correlation House 18-291

RASEMENT

RABENETY

Assembles are haraby reserved for and granted to rubito builty Missist No. 1 of Sechemish Country, Ceneral Telephone Codenary of the Northewse, Inc., Adderwood Mater District and Viacow Cebkevision, Ima., Adderwood Mater District and Viacow Cebkevision, Ima., their sepective successors and seasings, unlike, over and upon the private crudeers, powerhed with a seven door upon the private crudeers, powerhed with a seven door frontess, in which to install, construct, operate, and maintain underground doubtles, cables, wires and water and saver main with the meceasery facilitation end other applicant for the purposes of serving this condensions which was a server of the purpose design of serving this condensions which purposes design extended a Additional casesents are greated to Adderwood Muser District, as shown out the critical total these facilities and called of the above assemble, of the server, which is you outline of the above assemble,

DEDICATION

This plat or any portion thereof shall be restricted by the terms of the declaration filed under hembonist county shallest files of the declaration filed under hembonist county shallest file of the county of the

STATE OF WASHINGTON

COUNTY OF BHOMONISS)

Robert to Statement being first on mach duty switch a state that he is a replatured Frobestinal Land Surveyor signing the slows certificate, that he has also not these Plans and Survey Map, and believes the contification of the best plans to the second statement of the second surveyor to be a true Platement.

Rolal L. McDitto

day of refraction to before se this 38 %

TREASUREM'S CENTEPICATE

I, RIRKE SIEVERS, Transurac of Embraciah County, State of Washington, do heraby contify that all taxes on the storm described tract of land have been paid up to and including the year 79

KINKE SANGES
Smokowish County Transverse

The Deputy Section of County Transucat

GURVEYOR'S DERTIFICATE

I hereiny curtify that this plat of with Avenue Village Condominyma' is based upon an actuat survey of the Unicoarty herein described, that the opurase and the distances are shown dorrestly theyeve and the accuments are set upon the graded as above and that I have fully compiled with the provisions of the statutes powershor condomination.



Salay & Mc Dy Royales and Strong Cartificate No. 1504

Rotary Sublit in and for the State of Weshington, residing at foreign

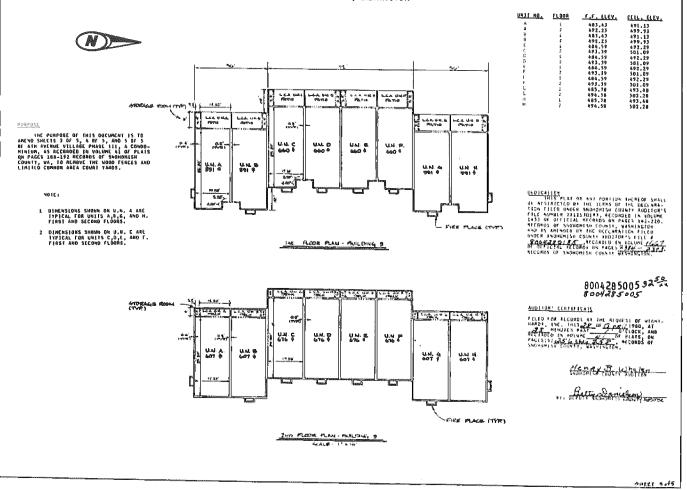
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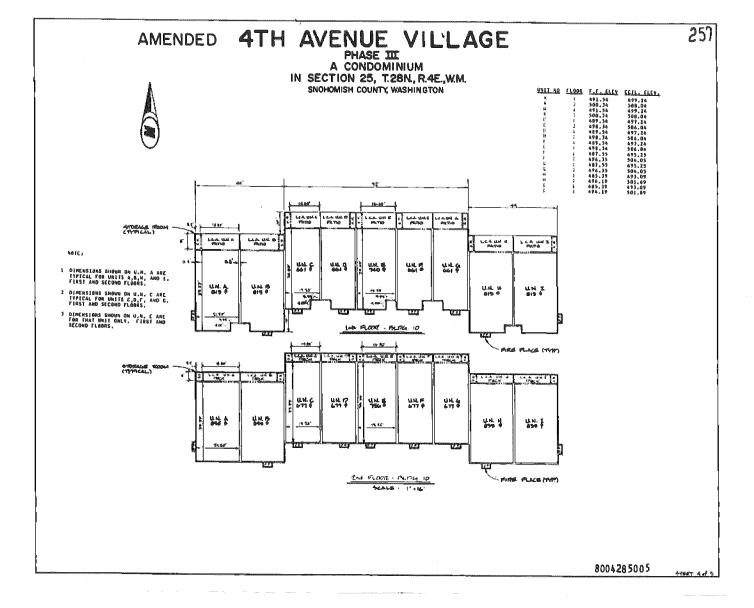
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AMENDED 4TH AVENUE VILLAGE

PHASE III
A CONDOMINIUM
IN SECTION 25, T.28N., R.4E., W.M.
SNOHOMISH COUNTY, WASHINGTON





8004285005

SHEET 9 45

EXHIBIT C

VALUE AND PERECENTAGE OF INDIVIDUAL INTEREST IN COMMON AREA BASED UPON COMPLETION OF PHASES 1, 2, AND 3

Apartment No. 1A 1B 1C 1D 1E 1F	<u>Value</u> \$56,000 \$54,000 \$62,000 \$60,000 \$60,000 \$54,000 \$56,000	Percentage 1.060 1.022 1.174 1.136 1.136 1.022 1.060
2A 2B 2C 2D 2E 2F 2G 2H 2I 2J	\$56,000 \$54,000 \$62,000 \$62,000 \$62,000 \$62,000 \$62,000 \$54,000 \$56,000	1.060 1.022 1.174 1.174 1.174 1.174 1.174 1.022 1.060
3A	\$64,500	1.220
3B	\$62,000	1.174
3C	\$62,000	1.174
3D	\$62,000	1.174
3E	\$62,000	1.174
3F	\$64,500	1.220
4A	\$56,000	1.060
4B	\$54,000	1.022
4C	\$62,000	1.174
4D	\$62,000	1.174
4E	\$62,000	1.174
4F	\$62,000	1.174
4G	\$62,000	1.174
4H	\$54,000	1.174
4I	\$54,000	1.022
4J	\$56,000	1.060
5A	\$58,000	1.098
5B	\$56,000	1.060
5C	\$62,000	1.174
5D	\$62,000	1.174
5E	\$60,000	1.136

5F	\$60,000	1.136
5G	\$54,000	1.022
5H	\$56,000	1.060
6A	\$64,500	1.220
6B	\$62,000	1.174
6C	\$62,000	1.174
6D	\$64,500	1.220
7A 7B 7C 7D 7E 7F 7G 7H 7I	\$64,500 \$62,000 \$62,000 \$62,000 \$62,000 \$62,000 \$62,000 \$62,000 \$62,000 \$64,500	1.220 1.174 1.174 1.174 1.174 1.174 1.174 1.174 1.174 1.220
8A	\$62,500	1.183
8B	\$60,000	1.136
8C	\$60,000	1.136
8D	\$62,500	1.183
9A	\$56,000	1.060
9B	\$54,000	1.022
9C	\$60,000	1.136
9D	\$60,000	1.136
9E	\$60,000	1.136
9F	\$60,000	1.136
9G	\$54,000	1.022
9H	\$56,000	1.060
10A	\$78,000	1.476
10B	\$75,500	1.429
10C	\$64,500	1.220
10D	\$64,500	1.316
10E	\$69,500	1.220
10F	\$64,500	1.220
10G	\$75,500	1.429
10H	\$78,000	1.476
10I	\$78,000	1.476
11A	\$75,500	1.429
11B	\$64,500	1.220

11D	\$64,500	1.220
11E	\$69,500	1.316
11F	\$64,500	1.220
11G	\$64,500	1.220
11H	\$75,500	1.429
111	\$78,000	1.476
	\$5,283,000	100.000

EXHIBIT D

Recorded Separately Under Snohomish County Recording Number #201811050295