

Ashberry Lane Condominium Association, Edmonds, WA



**Covenants, Conditions &
Restrictions (CC&Rs),
Articles of Incorporation,
By-Laws,
and House Rules,
for
Ashberry Lane
A Condominium**

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**DECLARATION ESTABLISHING
COVENANTS, CONDITIONS, RESTRICTIONS RESERVATIONS, AND
EASEMENTS
FOR ASHBERRY LANE, A CONDOMINIUM**

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**DECLARATION ESTABLISHING
COVENANTS, CONDITIONS, RESTRICTIONS RESERVATIONS, AND
EASEMENTS
FOR ASHBERRY LANE, A CONDOMINIUM**

THIS DECLARATION is made by the parties signed as Declarants at the end hereof, to submit the property hereinafter described to the Washington Condominium Act (Revised Code of Washington, Chapter 64.34). The name of the condominium shall be ASHBERRY LANE, a condominium. The interest of the Declarant in the Real Property included in the Condominium is fee simple.

1. INTERPRETATION.

1.1. Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of this Condominium under the provisions of Washington law. Insofar as it affects this Declaration and Condominium, the provisions of the Act under which this Declaration is operative, shall be liberally construed to effectuate the intent of this Declaration.

1.2. Consistent with Act. The terms used herein are intended to have the same meaning as given in the Act unless the context clearly requires otherwise or to so define the terms would produce an illegal or improper result.

1.3. Covenant Running with Land. This Declaration shall operate as a set of covenants running with the land, or equitable servitudes, binding on Declarant, its heirs, successors and assigns, all subsequent Owners of the Property or a Unit, together with their grantees, successors, heirs, executors, administrators, devisees or assigns, supplementing and interpreting the Act, and operating independently of the Act, should the Act or any part thereof be, in any respect, inapplicable.

1.4. Captions and Exhibits. Captions given to the various sections and sections herein are for convenience only and are not intended to modify or affect the meaning of any substantive provisions of this Declaration. The various

Exhibits referred to herein and attached hereto shall be deemed incorporated herein by reference.

1.5. Percentage of Owners or Mortgagees. For purposes of determining the percentage of Owners of First Mortgagees, or percentage of voting power for approving a proposed decision or course of action in cases where an Owner owns, or a First Mortgagee holds First Mortgages on, more than one Unit, such Owner shall be deemed a separate Owner for each such Unit so owned and such First Mortgagee shall be deemed a separate Mortgagee for each such First Mortgage held.

1.6. Inflationary Increase in Dollar Limits. Any dollar amounts specified in the Declaration in connection with any proposed action or decision of the Board or Association shall be increased proportionately by the increase in the consumer price index for the city of Seattle, Washington for All Urban Consumers ("Index"), prepared by the United States Department of Labor over the base index of January 1 of the calendar year following the year in which the Declaration is recorded, to adjust for any deflation in the value of the dollar. In the event the index is discontinued, the Board shall select a comparable index for this purpose.

1.7. Definitions.

"The Act" means the Washington Condominium Act (Revised Code of Washington, Chapter 64.34), as amended from time to time.

Allocated Interests" means the undivided interest in the Common Elements, the common expense liability, and votes in the Association allocated to each Unit.

"Assessment" means all sums chargeable by the Association against a Unit including, without limitation: (a) Regular and special assessments for common expenses, charges, and fines imposed by the Association; (b) interest and late charges on any delinquent account; and (c) costs of collection, including reasonable attorney's fees, incurred by the Association in connection with the collection of a delinquent Unit Owner's account.

"Association" means the Unit Owner's Association organized in accordance with The Act, the Bylaws and with this Declaration as it is recorded, or as they may be amended.

"Board of Directors" and "Board" means the body with primary authority to manage the affairs of the Association.

"Bylaws" means the Bylaws of the Association as initially promulgated by the Declarants, and as amended from time to time which, with this Declaration, provide for the organization of the Association and for the administration of the property.

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

"Common Expenses" means expenditures made by or financial liabilities of the Association, together with any allocations to reserves.

"Common expense liability" means the liability for common expenses allocated to each Unit pursuant to this Declaration and the Act.

"Declarants" means the person or group of persons acting in concert who (a) executes as Declarant this Declaration of Condominium, or (b) reserves or succeeds to any special Declarant right under the Declaration.

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

"Eligible Mortgagee" means the holder of a mortgage on a Unit that has filed with the secretary of the Association a written request that it be given copies of Notices of any action by the Association that requires consent of Mortgagees. For the purposes of this Declaration the term "Eligible Mortgagee" includes insurers and guarantors of mortgages. With respect to any action requiring the consent of a specified number or percentage of mortgages, the consent of only Eligible Mortgagees holding a first lien mortgage need be obtained and the percentage shall be based upon the votes attributable to the Units with respect to which eligible mortgages have an interest.

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

"Identifying Number" means the number, letter, or combination thereof, designating only one Unit in this Declaration as it is recorded or as it may be amended.

"Limited Common Elements" means a portion of the Common Elements allocated by this Declaration or by operation of the act for the exclusive use of one or more but less than all of the Units.

"Majority" or **"Majority of Unit Owners"** means, for the purposes of this Declaration, the Unit Owners with fifty-one percent (51%) or more of the votes in accordance with the allocated interests assigned to the Units by this Declaration.

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

"Mortgagee" means the secured party under a mortgage, deed of trust, or other real property security interest covering a Unit. For the purposes of this Declaration the term "mortgagee" includes the vendor under a real estate contract.

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

"Real Property" means any fee, leasehold or other estate or interest in, over, or under land, including structures, fixtures, and other improvements thereon and easements, rights and interests appurtenant thereof which by custom, usage, or law pass with a conveyance of land although not described in the contract of sale or instrument of conveyance. "Real Property" includes parcels, with or without upper or lower boundaries, and spaces that may be filled with air or water.

"Unit" means a part of the property intended for residential use and occupancy, as provided herein, referred to as a "Unit" in The Act.

"Unit Owner" means the Declarant or other person or persons owning a Unit in fee simple, but does not include a person who has an interest in a Unit solely as security for an obligation. "Unit Owner" means the vendee, not the vendor, of a Unit under a real estate contract. This definition shall not include persons who, on a month-to-month or other basis, rent or lease their Unit from a Unit Owner.

SECTION 2 - DESCRIPTION OF REAL PROPERTY

2.1 Legal Description. The Real Property included in the

Condominium is described on Exhibit A hereto.

2.2. Legal Description of Phases. Not applicable, there are no phases.

2.3. Description of Real Property (except Real Property subject to Development Rights) which may be allocated subsequently as Limited Common Elements (other than Limited Common Elements described in this Declaration). The property described in Exhibit A.

2.4. Description of Real Property to which any Development Right or Special Declarant Right applies: The land described in Section 2.1 (Exhibit A) above.

SECTION 3 - DESCRIPTION OF UNITS

3.1 Number of Units. There are eighteen (18) Units in the Condominium. Each Unit in the building is identified by a number between 1 and 18 (for example Unit 1).

3.2. Additional Units to be Created. Declarant has not reserved the right to add additional Units to the Condominium.

3.3 Description of Units. Exhibit B sets forth the following information concerning the Units:

3.3.1. The identifying Number of each Unit created.

3.3.2. The number of bathrooms, whole or partial.

3.3.3. The number of rooms designated primarily as bedrooms.

3.3.4. The number of built in fireplaces.

3.3.5. The level or levels on which is Unit is located.

3.3.6. The approximate square footage.

3.3.7. A description of the recreational facilities, if any.

3.3.8. The number of moorage slips, if any.

3.3.9. The parking spaces assigned to each Unit, if any.

3.4 Unit Boundaries.

(a) The boundaries of a Unit are the interior perimeter walls, floors, ceilings, windows and doors thereof. Decorative and finished surface coverings (including paint, wallpaper, paneling, carpeting, tiles finished flooring) are a part of the Unit, and all other portions of the walls, floors, or ceilings are a part of the Common Elements.

(b) If any chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any other portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements.

(c) Except as provided in subsection (b) above, all spaces, interior partitions, and other fixtures and improvements within the boundaries of a Unit are part of that Unit.

(d) Any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios, and all exterior doors and windows or other fixtures designed to serve a single Unit, but which are located outside the Units boundaries, are Limited Common Elements allocated exclusively to that Unit.

(e) The physical boundaries of the Unit as they actually exist, either as originally constructed or as reconstructed in substantial accordance with the original Plans shall be conclusively presumed to be the Unit's boundaries rather than metes and bounds expressed or depicted in this Declaration, or the boundaries as so described or as depicted in the Survey Map and Plans, regardless of settling or lateral movement of the building, or minor variances between boundaries shown in the Declaration, Survey Map or Plans

3.5 Access to Common Ways. Each Unit has access directly to Common Elements.

3.6 Access to Public Streets. The Common Elements have a direct access to a public street.

SECTION 4 - COMMON ELEMENTS

4.1 Description. Common Elements means all portions of the Condominium other than the Units. The following items are illustrative of Common Elements but are not all inclusive:

4.1.1. The real property described in Section 2.1 not included within a Unit.

4.1.2 The roofs, foundations, studding, joists, beams, supports, main walls (excluding non-bearing interior partitions of Units, if any), and all other structural parts of the buildings, to the perimeter walls of the Units.

4.1.3 The pipes, wires, conduits, and other fixtures and equipment for utilities except as defined as Limited Common Elements in Section 3.3(b).

4.1.4 The driving areas which provide access to parking and any parking areas.

4.1.5 The yards, gardens, landscaped areas and walkways which surround and/or provide access to the buildings.

4.1.6 All other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

4.2 Use Each owner shall have the right to use the Common Elements (except Limited Common Elements reserved for other Units) in common with all other owners. The right to use the Common Elements shall extend not only to each owner, but also to his agents, servants, tenants, family members, invitees, and licensees. The right to use the Common Elements, including the Limited Common Elements, shall be governed by the provisions of the Act, this Declaration, the Bylaws and the Rules and Regulations of the Association.

4.3 Limited Common Elements

4.3.1 Each Unit contains certain Limited Common Elements which are shown on the Survey Map and Plans filed herewith. These limited common areas include but are not necessarily limited to:

a) The patio/yard area, which is adjacent to each Unit as more particularly shown on the Survey Map and Plans, the boundaries of said patio/yard area, being defined by the interior surfaces of the walls, floors, ceiling,

doors, windows, ground, railings, fence, or curb enclosing said areas, but if there be no such interior surfaces, then the boundaries as delineated on the Survey Map and Plans; but if no such boundaries are so delineated, then the perimeter edge of any patio, as actually constructed by Declarant.

b) Parking space, if any, which may be allocated to a Unit by this Declaration or amendments thereto and which prior to such allocation shall be more particularly shown on the Survey Map and Plans, the boundaries of said parking stall being defined by the striping enclosing said parking space.

4.3.2 Approval of seventy five percent (75%) of the Unit Owners, including the owner of the Unit to which the Limited Common Element will be assigned or incorporated and fifty-one percent (51%) of the eligible mortgagees shall be required to reallocate a Common Element as a Limited Common Element or to incorporate a Limited Common Element into an existing Unit. Any such reallocation or incorporation shall be reflected in an amendment to the Declaration, Survey Map, or Plans.

4.3.3 Limited Common Elements are reserved for the exclusive use of the Units to which they are adjacent or assigned and such Limited Common Elements are appurtenant to the Unit. The Unit Owners of the Unit to which the Limited Common Element is attached shall maintain the Limited Common Element at their own expense subject to such Rules and Regulations as are adopted by the Association.

SECTION 5 - ALLOCATION OF COMMON ELEMENT INTERESTS, VOTES, AND COMMON EXPENSE LIABILITIES

5.1 General. The allocated interests in (a) the Common Elements and (b) in the common expenses of the Association and (c) the portion of votes in the Association are allocated to each Unit as set forth below in Exhibit B hereto. The established allocated interests are not separate from the Unit, and shall be deemed to be conveyed and encumbered with the Unit, although not mentioned in the instrument evidencing the encumbrance or conveyance.

5.2 Formula. The Allocated Interests of each Unit in (a) Common Elements, (b) common expenses of the Association and (c) votes in the Association shall be one equal share for each Unit. The formula for determining these interests is one divided by eighteen (1/18th) in the Common Elements, common expenses and voting for each Unit. This formula is used solely to establish the required allocated interests. The formula is not based upon the

respective values or sizes of the Units.

SECTION 6 - PARKING

6.1 Number of Parking Spaces. There are eighteen (18) parking spaces (including the garage spaces) as shown on the Survey Map and Plans. All of these parking spaces are within the particular Units.

6.2 Garages. Eighteen (18) of the parking spaces are covered enclosed parking garages which are part of the Units.

6.3 Other Parking. There is no other parking on the site. Parking is not allowed in front of the Units due to fire regulations.

6.4 Use of Parking Areas. Parking spaces, except garages enclosed within a Unit (including Limited Common Elements assigned to a Unit for parking) are restricted to use for parking of operative automobiles; other items and equipment may be parked or kept therein only subject to the Rules and Regulations of the Association. The Board of Directors may require removal of any inoperative or unsightly vehicle, and any other equipment or item not stored in parking spaces in accordance with this provision. The Board may adopt such Rules and Regulations as it deems appropriate to govern the use of the parking areas. The Board may adopt rules limiting uncovered parking (not assigned as a Limited Common Element) to guest parking, prohibiting a Unit Owner from using such guest parking for more than 24 hours and/or prohibiting a Unit Owner from making regular use of guest parking for his or her own parking.

SECTION 7 - USES, MAINTENANCE - COVENANTS, AND RESTRICTIONS

7.1 Residential Use. The buildings and Units shall be used for and restricted to use as single family residences only, on an ownership, rental, or lease basis, and for social, recreational, or other reasonable activities normally incident to such use not inconsistent with the provisions of this Declaration nor applicable zoning and for the purposes of operating the Association and managing the condominium if required.

7.2 Leases. No owner or other person shall be permitted to lease or otherwise rent a Unit for a term less than thirty (30) days. No lease or rental of a Unit may be of less than the entire Unit. Any lease or rental agreement must provide that its terms shall be subject in all respects to the provisions of the Declaration and Bylaws and the Rules and Regulations of the Association and

that any failure by the tenant to comply with the terms of said documents, Rules and Regulations shall be a default under the lease or rental agreement and that the owner grants to the Board and the managing agent the authority to evict the tenant on the owner's behalf for such default, upon only such notice as is required by law; if any lease does not contain the foregoing provisions, such provisions nevertheless be deemed to be a part of the lease and binding upon the owner and the tenant by reason of their being stated in the Declaration. Neither the Board nor the managing agent shall be liable to the owner or the tenant for any eviction under this section that is made in good faith. All leases and rental agreements shall be in writing. Copies of all leases and rental agreements shall be delivered to the Association before the tenancy commences.

Timesharing (as defined in RCW 64.36.010(11)) is prohibited. Other than as stated in this Section 7.2, there is no restriction on the right of any owner to lease or otherwise rent his Unit.

7.3 Driveways, Walkways, etc. Driveways, walks, walkways, and other portions of the Common Elements used for access shall be used exclusively for normal ingress and egress and no obstructions shall be placed therein unless permitted by the Board of Directors or Rules and Regulations adopted for the Association.

7.4 Maintenance and Modification of Units and Common Elements.

Each Unit Owner shall, at his sole expense, have the right and the duty to keep the interior of his Unit and equipment, appliances, and appurtenances in good order, condition and repair and shall do all redecorating and painting at any time necessary to maintain the good appearance and condition of his Unit. Each owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heaters, fans, heating or other equipment, electrical fixtures or appliances which may be in or connected with his Unit.

Without limiting the generality of the preceding foregoing, each Owner shall have the right, at his sole cost and expense, to:

7.4.1 Non-Structural. Make any improvements or alterations to the Owner's Unit that do not affect the structural integrity or mechanical or electrical systems or lessen the support of any portion of the Condominium, including the right to construct, alter, maintain, repair, paint, paper, panel, plaster, tile and finish: the windows; window frames; doors; door frames and trim; interior non-load bearing partitions; and the interior surfaces of the

ceilings, floors, and the perimeter walls of the Unit and the surfaces of the bearing and non-bearing walls located within his Unit; provided that the Owner or his assigns, contractors, or other agents or representatives shall not paint or in any manner cover the original sprinkler heads installed anywhere in a Unit.

7.4.3 Finished Surfaces. Substitute new finished surfaces for the finished surfaces then existing on said ceilings, floors and walls; provided that, hard surface flooring shall only be installed in Units in accordance with the following: (a) By the Declarant at any time, either before, during, or after purchase and occupancy by the Owner; (b) As part of original construction of the Unit; or (c) By the Owner of the Unit only after securing prior written consent of the Unit Owner below, if any (but such consent will not be required to merely replace existing hard surface flooring with substantially identical flooring). In the event that an Owner is given permission to install hard surface flooring, including but not limited to hardwood, marble, granite, slate or other like surface, the design, construction and installation of such hard surface flooring shall meet the impact sound transmission and insulation Class II C standards as measured according to ASTM designation E492-77, Standard Method of Laboratory Measurement of Impact Sound Transmission through floor/ceiling assemblies using a "tapping machine" or other equivalent standard and measurement device as of the date of the proposed installation.

7.4.3. Area Carpets. Where hard surface flooring is installed in a Unit, area carpets shall be used to convey normal foot traffic in areas of the Unit located immediately above another Unit except area carpets are not required where such hard surface flooring is installed in the front entryway, kitchen or kitchen nook, or bathroom(s) by the Declarant, at any time, or as part of original construction.

7.4.4 Comment Element. May not change the appearance of the Common Elements/Limited Common Elements or the exterior appearance of a Unit without permission of the Association;

7.4.5 Adjoining Unit. After acquiring an adjoining Unit or an adjoining part of an adjoining Unit may, with approval of the Board, remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a Common Element, if those acts do not adversely affect the structural integrity or mechanical or electrical systems or lessen the support of any portion of the Condominium. Removal of partitions or creation of apertures under this section is not a relocation of boundaries.

7.4.6 Board Decisions. With respect to any alteration or other

action requiring the Board's approval, the Board shall be allowed 30 days for decisions. The failure of the Board to act upon a request within such period shall be deemed approval thereof. Unless the proposed alteration does not comply with the Act or the Declaration or impairs the structural integrity or mechanical or electrical systems in the Condominium, the Board shall approve a Unit Owner's request. All requests for additions and alterations shall be made in writing and the Board shall respond in written form; provided that the Board may require Owner to submit plans and specifications as needed to facilitate its decision. Except as otherwise provided herein, no work of any kind shall be conducted without the express written approval of the Board. This subsection 7.4.6 shall also apply when permission is sought to alter the Limited Common Elements or outside appearance of the Units.

7.5 Architectural Control of Appearance of Building and Units - Maintenance. In order to preserve the uniform appearance of the buildings, and the common and Limited Common Elements, particularly those visible to the public, the Board may require and provide for the painting and finishing of the buildings, balconies, or other common or Limited Common Elements, and prescribe the type and color of the surfaces and finishes. It may prohibit, require or regulate any modification or decoration of the buildings, balconies, or other common or Limited Common Elements, including any such items as screens, doors, awnings, rails or other portions of each Unit and the building visible from the exterior. The Board of Directors may regulate and control the items stored in or used on the Limited Common Elements in order to preserve the good appearance and condition of the entire development. In addition, this regulatory power extends to the control of the color of draperies and under-drapes or drape linings of each Unit. Except as provided herein, an owner may not change the glass of his Unit without prior agreement of the Board.

7.6 Effect on Insurance. Nothing shall be done, kept in any Unit or in the Common Elements that will increase the rate of insurance on the Common Elements or Units without the prior written consent of the Board. Without limiting the Board's discretion, the granting of such consent may be conditioned upon the owner causing such rate increase to pay the amount of such increase. No owner and/or purchaser shall permit anything to be done or kept in his Unit or in the common or Limited Common Elements which will result in the cancellation of insurance on any Unit or any part of the common or Limited Common Elements, or which would be in violation of any laws.

7.7 Signs. No signs of any kind shall be displayed to the public view on or from any Unit or from the common or Limited Common Elements or facilities without the consent of the Board or pursuant to Rules and Regulations adopted

for the Association. Provided however that the Board shall designate an area or areas for display of "For Sale" signs. This section shall not apply to Declarant. Declarant may post such signs on the property as it deems necessary or appropriate for the sale of Units in the condominium as long as Declarant has a Unit for sale.

7.8 Offensive Activity. No noxious or offensive activity shall be carried on in any Unit or Common Elements nor shall anything be done therein which may be or become an annoyance or nuisance to other Unit Owners, or which would be in violation of any laws.

7.9 Pets. Domesticated animals, birds, or reptiles (herein referred to as "pets") may be kept in any Unit or in the common or Limited Common Elements subject to Rules and Regulations adopted by the Board, or Bylaws adopted by the Association. The Board may at any time require the removal of any pet which it finds disturbing other owners unreasonably, and may exercise this authority for specific pets even though other pets are permitted to remain.

7.10 Construction Work - Common Elements. The Common Elements shall not be reconstructed, rebuilt, altered, removed or replaced except by the Association acting through the Board, or as and in the manner the Association acting by the Board may authorize, and such action and authorization must also be in accordance with The Act, this Declaration, and the Bylaws.

7.11 Disruption Caused by Construction. Any construction or repairs of or in the Common Elements shall be performed in a safe and reasonable manner as the situation and building requirements permit. The owners of the Units shall be notified of the plans and timetables for any construction and reasonable modifications shall be made to said plans and timetables and to minimize the noise, dust, obstruction to any access or walkway and other impacts and disturbances to the residents of the Units.

7.12 Conveyances; Notice Required. The right of an owner to sell, transfer, or otherwise convey a Unit shall not be subject to any right of approval, disapproval, first refusal, or similar restriction by the Association or Board, or anyone acting on their behalf. An owner intending to sell a Unit shall deliver a written notice to the Board, at least two weeks before closing, specifying the Unit being sold; the name and address of the purchaser, of the closing agent, of the title insurance company insuring the purchaser's interest; and the estimated closing date. The Board shall have the right to notify the purchaser, the title insurance company, and the closing agent of the amount of unpaid assessments

and charges outstanding against the Unit, whether or not such information is requested.

SECTION 8 - OWNERS' ASSOCIATION - MEMBERSHIP - VOTING - BYLAWS

8.1 Owners' Association. The following provisions govern membership in, and voting and Bylaws for Ashberry Lane Condominium Owners' Association, (hereinafter called the "Owners' Association" or "Association"). The Association through actions of its Board and officers shall administer the condominium.

8.2 Membership.

8.2.1 Qualification. Each Unit Owner (including Declarant) shall be a member of the Association and shall be entitled to one membership for each Unit so owned. Ownership of a Unit shall be the sole qualification for membership in the Association.

8.2.2 Transfer of Membership. The Association membership of each Unit Owner (including Declarant) shall be appurtenant to the Unit giving rise to such membership, and shall not be assigned, pledged, hypothecated, conveyed or alienated in any way except upon transfer of title to said Unit and then only to the transferee of title to such Unit. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Unit shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

8.3 Voting.

8.3.1 Number of Votes. For purposes of determining voting rights of Association members, the total voting power of all Units shall be eighteen votes.

8.3.2 Persons Authorized to Vote. The voting representative of each Unit shall be the group composed of all of its owners. The Association may recognize the vote of any one or more of such owners present in person or by proxy at any meetings of the Association as the vote of all such owners.

If there is more than one such owner present at any meeting or if there

are disputed claimants to voting rights, and they do not agree to vote the Unit's vote unanimously, the majority of said owners or claimants shall prevail and the vote allocated to said Unit cast accordingly. In the event that a majority of co-owners cannot be obtained on any issue, the Unit vote shall be entirely disregarded. There is majority agreement if any one of the multiple owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

8.3.3 Proxies Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each owner of the Unit may vote or register protest to the casting of votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if not dated or purports to be revocable without notice. Unless stated otherwise in the proxy, a proxy terminates eleven months after its date of issuance.

8.3.4 Pledge of Power to Designate Voting Representative. The power to designate a voting representative may be pledged to the holder of a security interest in a Unit. If the power is so pledged, and if a copy of the instrument is filed with the Board, and if the secured party's designee attends the meeting and requests to exercise the vote, then the vote of such designee shall be recognized as to the issues respecting which the pledge was given.

8.3.5 Pledge of Votes for or Ownership of More Than One Unit - Voting. A person who owns more than one Unit (including Declarants and any mortgagee) or to whom voting rights have been pledged for more than one Unit is entitled to exercise the combined total voting power of all such Units.

8.3.6 Quorum - Majority for Action. A quorum of Unit Owners at any annual or special meeting of the Association shall be the presence, in person or by proxy, of persons holding fifty percent (50%) or more of the total votes, unless otherwise expressly provided herein or in the Bylaws. If the quorum is present at any such meeting, any action may be taken by an affirmative vote of a majority of the total votes present at the meeting, except as otherwise expressly provided in The Act, this Declaration or the Bylaws.

8.3.7 Units owned by the Association. No votes allocated to a Unit owned by the Association may be cast, and in determining the percentage of votes required to act on any matter, the votes allocated to Units owned by the Association shall be disregarded.

8.4 Bylaws. The Declarants shall adopt the initial Bylaws of the Association. The Bylaws shall specify the procedures for timing and the holding of annual and special meetings of the Association and may include any other matters or specify other procedures applicable to the organization and administration of the Association not inconsistent with this Declaration. The Bylaws may be amended by the Declarants alone at any time prior to the election of directors by the Unit Owners and relinquishment by Declarants of managing authority. Thereafter, the Bylaws may be amended, in whole or in part by a two-thirds (2/3) percent vote of the Unit Owners at a meeting of the Association held for that purpose, or in such other manner as the Bylaws themselves may prescribe.

8.6 Meetings, Audits, Notices of Meetings.

8.6.1 Annual Meetings, Audits. There shall be an annual meeting of the Owners in the first quarter of each calendar year, or such other fiscal year as the Board may by resolution adopt, at such reasonable place and time as set by the Board. At the annual meeting, there shall be presented an accounting of the common expenses, itemizing receipts and disbursements for the preceding fiscal year, and the allocation thereof to each Owner, and the estimated common expenses for the coming fiscal year. The Board at any time or by written request of Owners having at least fifty one (51%) percent of the total votes, may require that an audit of the Association and management books be presented at any special meeting. A Unit Owner, at his own expense, may at any reasonable time make an audit of the books of the Board and Association.

8.6.2 Special Meetings. Special meetings of the Owners may be called at any time for the purpose of considering matters, which by the terms of The Act or of this Declaration require the approval of all or some of the Owners, or for any other reasonable purpose. Such meetings shall be called by the president of the Association upon the decision of the president, or after request signed by a majority of the Board, or by written request by the Owners having at least twenty (20%) percent of the total votes.

8.6.3 Notice of Meetings. Not less than ten nor more than sixty days in advance of any meeting, the secretary or other officer specified in the Bylaws shall cause notice to be hand delivered or sent prepaid by first class United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner. The notice of any meeting shall state the time and place of the meeting and the items on the agenda to be voted on by the members, including the general nature of any proposed

amendment to the Declaration or Bylaws, changes in the previously approved budget that result in a change in assessment obligations, and any proposal to remove a director or officer.

SECTION 9 - MANAGEMENT OF CONDOMINIUM

9.1 Owners Association Management of the condominium and maintenance, repair and replacement of the Common Elements is vested in the Owners' Association.

9.2 Powers of the Owners' Association The powers of the Association shall include and be governed by the following provisions:

9.2.1. The Association shall have all the powers of the common law and statutory powers of an Association not for profit, which are not in conflict with the terms of this Declaration or the Articles of Incorporation.

9.2.2. The Association shall have all of the powers and duties set forth in the Act except as limited by the Articles and this Declaration and all the powers and duties reasonably necessary to operate the condominium as set forth in this Declaration and as it may be amended from time to time, including but not limited to the following:

- (a). Adopt and amend bylaws, Rules and Regulations;
- (b). Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect assessments for common expenses from Unit Owners;
- (c). Hire and discharge or contract with managing agents and other employees, agents, and independent contractors;
- (d). Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Unit Owners on matters affecting the condominium;
- (e). Make contracts and incur liabilities;
- (f). Regulate the use, maintenance, repair, replacement, and modification of Common Elements;
- (g). Cause additional improvements to be made as a part of

the Common Elements;

(h). Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to RCW 64.34.348.

(i). Grant easements, leases, licenses, and concessions through or over the Common Elements and petition for or consent to the vacation of streets and alleys;

(j). Impose and collect charges for late payment of assessments pursuant to RCW 64.34.204 (2) and, after notice and an opportunity to be heard by the board of directors and in accordance with such procedures as provided for in the Declaration or bylaws or Rules and Regulations adopted by the board of directors. Levy reasonable fines in accordance with a previously established schedule thereof adopted by the board of directors and furnished to the owners for violations of the Declaration, bylaws, and Rules and Regulations of the Association;

(l). Impose and collect reasonable charges for the preparation and recording of amendments to the Declaration, resale certificates required by section RCW 64.34.425, and statements of unpaid assessments;

(m). Provide for the indemnification of its officers and board of directors and maintain directors' and officers' liability insurance;

(n). Assign its right to future income, including the right to receive common expense assessments, but only to the extent the Declaration provides; and

(o). Exercise any other powers conferred by the Declaration or bylaws.

SECTION 10 - BOARD OF DIRECTORS

10.1 Authority and Composition of Board. Except as provided elsewhere in this Declaration, the Bylaws, the Condominium Act or in section 10.2 below, the board of directors shall act in all instances on behalf of the Association. In performance of their duties the members of the board are required to exercise ordinary and reasonable care. The Unit Owners shall elect

the Board members. The number of directors shall be specified in the Bylaws

10.2 Limitations.

10.2.1. Owner's Action Required. The board shall not act on behalf of the Association to amend the Declaration in any manner that requires the vote or approval of the Unit Owners under the Act, to terminate the Condominium, or to elect members of the board of directors or determine their qualifications, powers, and duties, or terms of office of members of the board of directors; but the board may fill vacancies in its membership for the unexpired portion of any term.

10.2.2. Purchases and Improvements. The Boards power enumerated above are limited in that the Board shall have no power to acquire and pay for out of Association funds a capital addition or improvement (other than for purposes of restoring, repairing or replacing portions of the Common Elements) or tangible and intangible personal property or real property and interests therein having a total cost of Five Thousand (\$5,000) Dollars, without first obtaining the affirmative vote of a majority of Unit Owners at a meeting called for such purpose, or if no meeting is held, then the written consent of a majority of the Unit Owners.

SECTION 11 - MANAGEMENT RIGHTS RETAINED BY DECLARANT

11.1 Transition Date. The "Transition Date" shall be the date upon which full authority and responsibility to administer and manage the Association and the condominium, subject to this Declaration and the Bylaws, passes to the Association. The transition date will be the first to occur of the following: (a) sixty days after conveyance of seventy-five percent of the Units which may be created to Unit Owners other than the Declarant; (b) two years after the last conveyance or transfer of record of a unit except as security for a debt; (c) five years after the first conveyance to a unit purchaser in the first phase (other than Declarant); or (d) the date upon which Declarant records an amendment to the Declaration pursuant to which he voluntarily surrenders the right to further appoint and remove officers and members of the Board. Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board before termination of that period pursuant to (a), (b) and (c) of this section conditioned upon the requirement that for the duration of the period of Declarant control, that specified actions of the Association or Board as described in the recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

11.2 Declarant's Powers Until Transition Date. Until the Transition Date, Declarant or persons designated by Declarant shall have the full power and authority to appoint and remove the officers and members of the Board. The Board appointed by Declarant shall have the same authority as given the Board in Section 10 of this Declaration subject to the limitations in this Declaration and in the Act.

11.3 Limitations of Power of Board Appointed by Declarant.

11.3.1 Interim Election of Board Members. Not later than sixty days after conveyance of twenty-five percent of the Units, which may be created to Unit Owners other than Declarant, at least one member and not less than twenty five percent of the members of the Board will be elected by Unit Owners other than Declarant. Not later than sixty days after conveyance of fifty percent of the Units which may be created to Unit Owners other than Declarant, not less than thirty-three and one-third percent of the members of the Board will be elected by Unit Owners other than Declarant.

11.3.2 Removal of Directors. The Unit Owners other than Declarant may remove by two-thirds vote any directors elected by the Unit Owners, but may not remove directors selected by Declarant. The Declarant may not remove any director duly elected by the Unit Owner.

11.3.3 Standard of Care. In performance of their duties on behalf of the Association directors appointed or selected by Declarant are required to exercise the care required of fiduciaries of the Unit Owners.

11.3.4 Termination of Contracts. If entered into before the transition date, any contract, and/or any lease of recreational or parking elements or facilities or Common Elements may be terminated without penalty by the Association at any time after the Board elected by the Unit Owners takes office upon not less than ninety days written notice to the other party or within such lesser period provided for without penalty in the contract or lease.

11.4 Transfer of Control to Association. Declarant will provide for and foster early participation of Unit Owners in the management of the Condominium. After the transition date control of the Association shall be transferred to the Unit Owners in accordance with the following guidelines:

11.4.1 Director Election. Within thirty (30) days after the transition date, the Unit Owners shall elect a board of directors of at least three

members, at least a majority of which must be Unit Owners. The board of directors shall elect the officers. Such members of the board and officers shall take office upon election.

11.4.2 Transfer of Property and Records. Within sixty (60) days after the transition date the Declarant shall deliver to the Association all property and records of Unit Owners and of the Association held or controlled by the Declarant including but not limited to those items required to be delivered by RCW 64.34.312.

11.4.3 Audit of Association Records. Upon transfer of control to the Association, the records of the Association shall be audited as of the date of transfer by an independent certified public accountant in accordance with generally accepted auditing standards and the requirements of RCW 64.34.312(2) unless the Unit Owners, other than the Declarant, by two thirds vote elect to waive the audit. The cost of the audit shall be a common expense of the Association.

SECTION 12 - BUDGET, COMMON EXPENSES AND ASSESSMENTS

12.1 Preparation of Budget. Not less than 60 days prior to the end of the fiscal year for the Association the board shall prepare a budget for the coming fiscal year. Within thirty days after adoption of any proposed budget for the Condominium, the board shall provide a summary of the budget to all the Unit Owners and shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary. Unless at that meeting the Owners of Units to which a majority of the votes in the Association are allocated reject the budget, the budget is ratified, whether or not a quorum is present. In the event a proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners shall ratify a subsequent budget proposed by the board.

12.2 Estimated Expenses. In preparing the annual budget the Board shall: (a) estimate the charges (including common expenses, and any special charges for particular Units) to be paid during such year; (b) make provision for creating, funding and maintaining reasonable reserves for contingencies and operations, as well as for repair, replacement and acquisition of Common Elements; and (c) take into account any expected income and any surplus available from the prior year's operating fund.

Without limiting the generality of the foregoing, the Board may create

and maintain from regular monthly assessments a reserve fund for replacement of those Common Elements, which can reasonably be expected to require replacement prior to the end of the useful life of the building. The Board shall calculate the contributions to said reserve fund so that there are sufficient funds therein to replace each Common Elements covered by the fund at the end of the estimated useful life of each such Common Elements. The initial Board may at any suitable time establish the first such estimate. If the sum estimated and budgeted at any time proves inadequate for any reason (including non-payment for any reason of any Owner's assessment), the Board may at any time levy a further assessment, which shall be assessed to the Owners in proportion to their allocated interest in the Condominium.

12.3 Payment by Owners. Each Owner shall be obligated to pay its share of common expenses and special charges to the Association's treasurer in equal monthly installments on or before the 5th day of each month, or in such other reasonable manner as the Board shall designate. No Unit Owner may exempt himself from liability for payment of assessments for any reason, including waiver of use or enjoyment of any of the Common Elements or abandonment of the Unit Owner's Unit. Assessments for each Unit Owner shall begin on the date said Owner closes the transaction in which he acquires right, title or interest in the Unit. Assessments for the initial month shall be prorated if closing occurs on other than the first of the month. Any unpaid assessment or charge shall bear interest at the highest rate allowed under RCW 19.52.020 from due date until paid. In addition the Board may impose a late charge in an amount not exceeding twenty-five percent (25%) of any unpaid assessment or charge which has remained delinquent for more than fifteen (15) days.

In the event that any monthly assessment or special charge attributable to a particular Unit remains delinquent for more than thirty (30) days, the Board may, upon fifteen (15) days' written notice to the Unit Owner, accelerate and demand immediate payment of all, or such portion as the Board determines will become due during the next succeeding twelve (12) months with respect to said Unit.

12.4 Purpose. All funds collected hereunder shall be expended for the purpose designated in this Declaration.

12.5 Separate Accounts. The Board shall require that the Association maintain separate accounts for current operations, and reserves. All such assessments and charges shall be collected and held in trust for, and administered and expended for the benefit of, the Unit Owners.

12.6 Based on Allocated Interest. Except for certain special charges which may be levied against particular Units under the provisions of this Declaration, all assessments for common expenses shall be assessed to Units and the Owners thereof on the basis of the allocated interests set forth in Section 5 hereof and any amendments thereto.

12.7 Omission of Assessment. The omission by the Board or the Association before the expiration of any year to fix the estimate for assessments and charges hereunder for that or the next year, shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the Owner from the obligation to pay the assessments and charges, or any installment thereof for that or any subsequent year; but the assessment and charge fixed for the preceding year shall continue until a new assessment or charge is fixed.

12.8 Records. The Board shall cause to be kept detailed and 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 and any other expense incurred. Such records and any resolution authorizing the payments involved shall be available for examination by any Owner at convenient hours of weekdays.

12.9 Certificate of Assessment. The Association upon written request shall furnish to a Unit Owner or a mortgagee a statement signed by an officer or authorized agent of the Association setting forth the amount of unpaid assessments against that Unit. The statement shall be furnished within 15 days after receipt of the request and is binding on the Association, the board and every Unit Owner, unless and to the extent known by the recipient to be false.

12.10 Assessment Deposit.

12.10.1. A Unit Owner may be required by the Board or by the Manager, from time to time, to make and maintain a deposit not less than two (2) months nor more than three (3) months estimated monthly assessments and charges, which may be collected as are other assessments and charges. Such deposit shall be held in a separate fund, be credited to the Unit owned by such Owner, and be for the purpose of establishing a working capital fund for initial project operations and a reserve for delinquent assessments. Resort may be had thereto at any time when such Unit Owner is ten (10) days or more delinquent in paying his monthly or other assessments and charges, or to meet unforeseen expenditures, or to acquire equipment or services deemed necessary or desirable by the Board. Said deposits shall not be considered advance payments of regular

assessments.

12.10.2. In the event the Board should draw upon said deposit as a result of a Unit Owner's delinquency in payment of any assessments, said Unit Owner shall continue to be responsible for the immediate and full payment of said delinquent assessment (and all penalties and costs thereon) and thus the full restoration of said deposit, and the Board shall continue to have all of the rights and remedies for enforcing such assessment payment and deposit restoration as provided by this Declaration and by law.

12.10.3. At any time after the "Transition Date" (as defined in Section 11.1 of this Declaration) and so long as the reserves otherwise required by this Declaration are maintained, all or any portion of the deposit made under this section may be refunded by the Association in the discretion of the Board to the then Unit Owner of the Unit for which the deposit was initially made, such refund being made as a cash refund or as a credit against assessments subsequently to become due or a combination thereof. Provided that upon the sale of a Unit, the seller/Owner thereof shall not be entitled to a refund from the Association of any deposit or reserve account made or maintained with respect to such Unit pursuant to this or any other section of this Declaration; rather, any such deposit or reserve account shall continue to be held by the Association for the credit of such Unit, and the Unit purchaser shall succeed to the benefit thereof, and the Unit seller shall be responsible for obtaining from the purchaser appropriate compensation therefore.

12.11. Working Capital Contribution. The first Purchaser of any Unit shall pay to the Association, in addition to other amounts due, an amount equal to two (2) months of monthly Assessments as a contribution to the Association's working capital. Such working capital contributions shall not be used to defray Declarant's expenses in completing the construction of the Condominium, or to pay Declarant's contributions to Association reserves. Upon the election of the first Board by Unit Owners other than Declarant, Declarant shall pay to the Association as a working capital contribution an amount equal to two (2) months of monthly Assessments for each of the Units then owned by Declarant. When a Unit owned by Declarant is sold, Declarant may apply funds collected at closing from the Purchaser to reimburse itself for funds paid to the Association for such contribution with respect to that Unit.

12.12. Utilities. Except to the extent utilities are separately metered or are otherwise chargeable to a specific Unit, the cost of utilities shall be assessed equally, unless the Board decides, as to some or all of the utilities, that they should be assessed in proportion to use, in which case the Board shall determine

the basis for such allocation and assessment. Fire sprinklers costs shall be charged equally to the owners of units 7, 8, 9, 16, 17, & 18.

SECTION 13 - ENFORCEMENT, COLLECTION OF ASSESSMENTS

13.1 Lien Indebtedness. The Association has a lien on a Unit for any unpaid assessments levied against a Unit from the time the assessment is due. No written notice is necessary to perfect the Associations' lien.

13.2 Notice. Recording of this Declaration constitutes record notice and perfection of the lien for assessments. The Board may, but need not, record a notice of claim of lien, for assessments with the County Auditor.

13.3 Foreclosure of Assessment Lien. The Board on behalf of the Association may initiate a judicial action to foreclose the lien of any assessment pursuant to RCW 61.12. The Association may also take a deed in lieu of foreclosure.

13.4 Personal Obligation. In addition to constituting a lien on the Unit, each assessment shall be the joint and several obligation of the Owner or Owners of the Unit to which the same are assessed as of the time of the assessment is due. In a voluntary conveyance the grantee of a Unit shall be jointly and severally liable with the grantor for all the unpaid assessments against the grantor up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefore. Suit to recover a personal judgment for any delinquent assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.

13.5 Late Charges and Interest. The Association may from time to time establish reasonable late charges and a rate of interest to be charged on all subsequent delinquent assessments or installments thereof. In the absence of another established nonusurious rate, delinquent assessments shall bear interest from the date of delinquency at the maximum rate permitted under RCW 19.52.020 on the date, which the assessments became delinquent.

13.6 Attorneys' Fees. The Association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the Association shall be entitled to recover any costs and reasonable attorney's fees if it prevails on

appeal and in the enforcement of any judgment.

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

SECTION 14 - INSURANCE

14.1 Insurance Coverage. The Board shall obtain and maintain at all times as a common expense a policy or policies and bonds of property insurance covering all of the general Common and Limited Common Elements including fixtures and Building service equipment, common personal property and supplies belonging to the Association, and fixtures, equipment, and improvements installed in a Unit by Declarant (or the Association). All insurance shall be obtained from insurance carriers that are generally acceptable for similar projects, authorized to do business in the state of Washington, and meet specific requirements of FNMA, HUD, VA and FHLMC regarding the qualifications of insurance carriers. The policies shall include at a minimum:

14.1.1 Property Insurance. The property insurance shall, at a minimum, provide all risk or special cause of loss coverage in an amount equal to the full replacement cost of the Common Elements, and Limited Common Elements, equipment, fixtures, improvements in the Units installed by the Declarant (or the Association), and personal property of the Association with an "Agreed Amount Endorsement" and if required by FNMA or FHLMC, construction code endorsements, such as "Demolition Cost Endorsement," a "Contingent Liability from Operation of Building Laws Endorsement" an "Increased Cost of Construction Endorsement," and such other endorsements as FNMA or FHLMC deems necessary and are available. The policy shall provide a separate loss payable endorsement in favor of the Mortgagee of each Unit. The Association or insurance trustee, if any, shall hold insurance proceeds in trust for the Owners and their Mortgagees as their interests may appear. Each Owner and the Owner's Mortgagee, if any, shall be beneficiaries of the policy in the percentage of undivided interest appertaining to the Owner's Unit. Certificates of Insurance shall be issued to each Owner and Mortgagee upon request.

14.1.2 Liability Insurance. General comprehensive liability insurance insuring the Board, the Association, the owners, Declarants and managing agent against any liability to the public or to the owners of

units, and their invitees, or tenants, incident to the ownership or use of the common and Limited Common Elements (including but not limited to owned and non-owned automobile liability, water damage, host liquor liability and liability for property of others. The liability coverage shall be in an amount determined by the Board after consultation with insurance consultants, but not less than \$1,000,000.00 covering all claims for personal injury and/or property damage arising out of a single occurrence (such policy limits to be reviewed at least annually by the Board and increased in its discretion). Such insurance shall contain appropriate provisions or endorsements precluding the insurer from denying the claim of an owner because of the negligent acts of the Association or another owner.

14.1.3 Workmens' Compensation. Workmens' compensation insurance to the extent required by applicable laws.

14.1.4 Personal Property. Insurance against loss of personal property of the Association by fire, theft and other losses with deductible provisions as the Board deems advisable.

14.1.5 Other. Such other insurance as the Board deems advisable.

14.2 Owner's Additional Insurance. Each owner shall obtain additional insurance respecting his unit at his own expense. No owner shall, however, be entitled to exercise his right to maintain insurance coverage in any manner which would decrease the amount which the Board, or any trustee for the Board, on behalf of all of the owners, will realize under any insurance policy which the Board may have in force on the condominium at any particular time. Each owner is required to and agrees to notify the Board of all improvements by the owner to his unit, the value of which is in excess of One Thousand Dollars (\$1,000.00).

14.3 Insurance Proceeds. Insurance proceeds for damage or destruction of any part of the Property shall be paid to the Board on behalf of the Association, which shall segregate such proceeds from other funds of the Association for use, and payment as provided in Section 14 below. The Association acting through its Board shall have the exclusive authority to settle and compromise any claim under insurance obtained by the Association and the insurer may accept a release and discharge of liability made by the Board on behalf of the named insured under the policy. No insurance proceeds may be paid directly to any mortgagee. Notwithstanding the foregoing provisions and requirements relating to property or liability insurance, there may be named as

insured, on behalf of the Association, the Association's authorized representative, including the Board or other trustee with whom such Association may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance.

Each Unit Owner appoints the Association, or any Insurance Trustee or substitute Insurance Trustee designated by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association or any other Insurance Trustee is required to receive, hold or otherwise properly dispose of any proceeds of insurance in trust for Unit Owners and their eligible mortgagees, as their interests may appear.

14.4 Additional Provisions. Insurance policies shall contain if available the following provisions:

(a) Each Unit Owner is an insured person under the policy with respect to liability arising out of the owner's interest in the Common Elements or membership in the Association.

(b) The insurer waives any right of subrogation under the policy against the Unit Owner, member of the owner's household, and lessee of the unit.

(c) No act or omission by any Unit Owner, unless acting within the scope of the owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.

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

(e) Provide that, despite any provision giving the insurer the right to restore damage in lieu of a cash settlement such option shall not be exercisable without the prior written approval of the Association (unless such provision is in conflict with the provisions of any insurance trust agreement to which the Association is a party, or any requirement of law).

(f) Contain no provision relieving the insurer from liability for loss because of any act or neglect which is not within the control of the Association or because of any failure of the Association to comply with any warrant or condition regarding any portion of the premises over which the Association has no control;

(g) Contain no provision (other than insurance conditions) which will prevent Mortgagees from collecting insurance proceeds.

(h) May not be canceled or modified substantially without at least ten (30) days prior written notice to the Association and to each holder of a eligible Mortgage listed in the insurance policy as a scheduled holder of a eligible mortgage; and

(i) Contains if available, an agreed amount and Inflation Guard Endorsement.

14.5 Unavailability of Insurance. If the insurance described above is not reasonably available, or is modified, canceled, or not renewed, the Association promptly shall cause notice of that fact to be hand delivered or sent prepaid by first class United States mail to all Unit Owners, to each eligible mortgagee, and to each mortgage to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.

SECTION 15 - DAMAGE OR DESTRUCTION: RECONSTRUCTION

15.1 Initial Board Determinations. In the event of damage or destruction to any part of the Property, the Board shall promptly, and in all events within twenty (20) days after the date of damage or destruction, make the following determinations with respect thereto employing such advice as the Board deems advisable:

15.1.1 The nature and extent of the damage or destruction, together with an inventory of the improvements and property directly affected thereby.

15.1.2 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.

15.1.3 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.

15.1.4 The amount, if any, that the estimated cost of repair and restoration exceeds the anticipated insurance proceeds therefore and the amount of assessment to each Unit if such excess was paid as a Common Expense and specially assessed against all the Units in proportion to their percentage of interest in the Common Elements.

15.1.5 The Board's recommendation as to whether such damage or destruction should be repaired or restored.

15.2 Notice of Damage or Destruction. The Board shall promptly, and in all events within thirty (30) days after the date of damage or destruction, provide each Owner, and eligible Mortgagee with a written notice summarizing the initial Board determination made under Section 15.1. If the Board fails to do so within said thirty (30) days, then any Owner or eligible Mortgagee may make the determination required under Section 15.1 and give the notice required under this Section 15.2.

15.3 Definitions; Restoration; Emergency Work.

15.3.1 As used in this Section 15, the words "repair," "reconstruct," "rebuild" or "restore" shall mean restoring the improvements to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and the Common and Limited Common Elements having substantially the same vertical and horizontal boundaries as before. Modifications to conform to then applicable governmental Rules and Regulations or available means of construction may be made.

15.3.2 As used in this Section 15, the term "Emergency Work" shall mean that work which the Board deems reasonably necessary to avoid further damage, destruction or substantial diminution in value to the improvements and to reasonably protect the Owners from liability from the condition of the site.

15.4 Restoration by Board.

15.4.1 Unless prior to the commencement of Repair and Restoration Work (other than Emergency Work referred to in subsection

15.3.2) the Owners shall have decided not to Repair and Reconstruct in accordance with the provisions of either subsection 15.5.3 or 15.6.3, the Board shall promptly Repair and Restore the damage and destruction, use the available insurance proceeds therefore, and pay for the actual cost of repair and restoration in excess of insurance proceeds secured as a Common Expense which shall be specially assessed against all units in proportion to their percentages of interest in the Common Elements.

15.4.2 The Board shall have the authority to employ architects and attorneys, advertise for bids, let contracts to contractors and others, and to take such other action as is reasonably necessary to effectuate the Repair and Restoration. Contracts for such repair and restoration shall be awarded when the Board, by means of insurance proceeds and sufficient assessments, has provision for the cost thereof. The Board may further authorize the insurance carrier to proceed with Repair and Restoration upon satisfaction of the Board that such work will be appropriately carried out.

15.4.3 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 an insurance trustee to adjust and settle any claim for such loss in excess of Fifty Thousand Dollars (\$50,000), or for such firm or institution to collect the insurance proceeds and carry out the provisions of this Section.

15.5 Limited Damage; Assessment Under \$3,500. If the amount of the estimated assessment determined under subsection 15.1.4 does not exceed Three Thousand Five Hundred Dollars (\$3,500) for any one Unit, then the provisions of this section 15.5 shall apply:

15.5.1 The Board may, but shall not be required to, call a special Owners' meeting to consider such Repair and Restoration work, which notice shall be given simultaneously with the notice required to be given by the Board under Section 15.2 above. If the Board shall fail to call such meeting, then the requisite number of Owners or any eligible Mortgagee, within fifteen (15) days of receipt of the notice given by the Board under Section 15.2 above, or the expiration of such thirty (30) day period, whichever is less, may call such special Owners' meeting to consider such Repair and Restoration work. Any meeting called for under this Section 15.5.1 shall be convened not less than ten (10) nor more than twenty (20) days after the date of such notice of meeting.

15.5.2 Except for Emergency Work, no Repair and Restoration work shall be commenced until after the expiration of the notice period set forth in Section 15.5.1 and until after the conclusion of said special meeting if such meeting is called within said requisite period.

15.5.3 A unanimous written decision of the Unit Owners and eligible Mortgagees (based upon a one vote for each Mortgage owned) will be required to avoid the provisions of subsection 15.4.1 and to determine not to Repair and Restore the damage and destruction in accordance with the original plans, as amended by subsequent amendments, if any; provided, that the failure of the Board, the requisite number of Owners or a eligible Mortgagee to call for a special meeting at the time or in the manner set forth in Section 15.5 shall be deemed a unanimous decision to undertake such work.

15.6 Major Damage; Assessment Over \$3,500. If the amount of the estimated assessment determined under subsection 15.1.4 exceeds Three Thousand Five Hundred Dollars (\$3,500) for any one Unit, then the provisions of this Section 15.6 shall apply:

15.6.1 The Board shall promptly, and in all events within thirty (30) days after the date of damage or destruction, provide written notice of a special Owners' meeting to consider Repair and Restoration of such damage or destruction, which notice shall be delivered with the notice required to be provided under Section 15.2 above. If the Board fails to do so within said thirty (30) day period, then notwithstanding the provisions of this Declaration or the Bylaws with respect to calling special meetings, any Owner or eligible Mortgagee may within fifteen (15) days of the expiration of said thirty (30) day period, or receipt of the notice required to be provided by the Board under Section 15.2 above, whichever is less, call a special meeting of the Owners to consider Repair and Restoration of such damage or destruction by providing written notice of such meeting to all Owners and eligible Mortgagees. Any meeting held pursuant to this Section 15.6 shall be called by written notice and shall be convened not less than ten (10) nor more than twenty (20) days from the date of such notice of meeting.

15.6.2 Except for Emergency Work no Repair and Restoration work shall be commenced until the conclusion of the special Owners' meeting required under subsection 15.6.1.

15.6.3 A concurrence in writing of more than eighty percent

(80%) of the eligible Mortgagees (based upon one vote for each eligible Mortgage owned), and Owners (other than the sponsor, developer, or builder) of the individual Units; and every owner of a unit or assigned Limited Common Element which will not be rebuilt, will be required to avoid the provisions of Section 15.4 and to determine not to Repair and Restore the damage and destruction; provided, however, that the failure to obtain said eighty percent (80%) concurrence in writing shall be deemed a decision to Rebuild and Restore the damage and destruction in accordance with the original plans, as amended by subsequent amendments, if any; provided, further, that the failure of the Board, or Owners or eligible Mortgagees to convene the special meeting required under subsection 15.6.1 within ninety (90) days after the date of damage or destruction shall be deemed a decision to undertake such Repair and Restoration work.

15.7 Failure to repair or replace all units. In the event of a decision where all of the damaged or destroyed portions of the condominium are not repaired or replaced:

15.7.1 The Board may nevertheless expend such of the insurance proceeds and Common Funds as the Board deems reasonably necessary to restore the damaged area to a condition compatible with the remainder of the condominium;

15.7.2 The insurance proceeds attributable to units and Limited Common Elements which are not rebuilt shall be distributed to the owners of those units and the owners of units to which those Limited Common Elements were allocated or to the lien holders as their interests may appear;

15.7.3 The remainder of the proceeds shall be distributed to all Unit Owners or lien holders as their interests may appear, in proportion to the Common Element interests of all the units; and

15.7.4 If Unit Owners vote to not rebuild any unit, then that unit's allocated interests are automatically reallocated upon the vote as if the unit had been condemned under the Act and this Declaration and the Association shall promptly prepare, execute, and record an amendment to the Declaration reflecting the reallocations.

15.8 Termination of Condominium Status. In the event of a decision under either subsections 15.5.3 or 15.6.3 not to Repair or Restore

damage and destruction, the Board may nevertheless expend such of the insurance proceeds and Common Funds as the Board deems reasonably necessary for Emergency Work (which Emergency Work may include but is not necessarily limited to removal of damaged or destroyed buildings and clearing, filling and grading the real property), and the remaining funds and property shall thereafter be held and distributed pursuant to the terms of RCW 64.34.268 governing the termination of condominiums.

15.9 Miscellaneous. The provisions of this Section 15 shall constitute the procedure by which a determination is made by the Unit Owners to Repair, Restore, Reconstruct or Rebuild as provided in the Act. By the act of accepting an interest in the Property, each Unit Owner and party claiming by, through or under such Owner hereby consents and agrees to the provisions hereof. In the event that any provision of this Section 15 shall be determined to be invalid or unenforceable by any court of competent jurisdiction, such determination shall not affect the validity of any other provision of this Declaration. The purpose of this Section 15 shall be to provide a fair and equitable method of allocating the costs of Repair and Restoration and making a determination for Repair and Restoration if all or a portion of the improvements are damaged or destroyed. The provisions of this Section 15 shall be liberally construed to accomplish such purpose. By unanimous vote of the Unit Owners, which vote shall be taken within ninety (90) days after the damage or destruction, the Owners may determine to do otherwise than provided in this Section 15.

SECTION 16 - CONDEMNATION

16.1 Consequences of Condemnation. If at any time or times during the continuance of the Condominium ownership pursuant to this Declaration, all or any part of the Property shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the provisions of this Section 16 shall apply. The Board shall provide each Owner, and each eligible Mortgagee with a written notice of the commencement of any such condemnation proceeding, and of any proposed sale or disposition in lieu thereof, in advance of such proceeding or sale.

16.2 Proceeds. All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award," shall be payable to the Association.

16.3 Complete Taking. In the event that the entire Property is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance

thereof, the Condominium ownership pursuant thereto shall terminate. The Condemnation Award shall be apportioned among the Owners in proportion to the respective undivided interest in the Common Elements; provided, that if a standard different from the value of the Property as a whole is employed to measure the Condemnation Award in the negotiation, judicial decree, or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable. On the basis of the foregoing principal, the Board shall as soon as practicable determine the share of the Condemnation Award to which each Owner is entitled. After first paying out of the respective share of each Owner, to the extent sufficient for that 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.

16.4 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:

16.4.1 As soon as practicable the Board shall, reasonably and in good faith, allocate the Condemnation Award between compensation, damages, or other proceeds.

16.4.2 The Board shall apportion the amounts so allocated to taking of or injury to the Common Elements which in turn shall be apportioned among Owners in proportion to their respective undivided interests in the Common Elements.

16.4.3 The total amount allocated to severance damages shall be apportioned to those Units, which were not taken or condemned.

16.4.4 The respective amounts allocated to the taking of or injury to a particular Unit and/or improvement an Owner had made within his own Unit shall be apportioned to the particular Unit involved. Where any unit is acquired by condemnation or where any part of a unit is so acquired leaving the Unit Owner with a remnant of a unit which may not be practically or lawfully used for any purpose permitted by the Declaration, the Unit Owner must be compensated for the owner's unit and appurtenant interest in Common Elements, whether or not any Common Elements are acquired.

16.4.5 The amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Board determines to be equitable in the circumstances.

16.4.6 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.

16.4.7 Distribution of apportioned proceeds shall be made to the respective owners and their respective Mortgagees in the manner provided in Section 16.3.

16.5 Reductions of Condominium Upon Partial Taking. In the event that (a) a partial taking occurs which pursuant to section 16.4 does not result in a termination of condominium ownership hereunder, and (b) at least one (1) Unit is taken or condemned and (c) the condemning authority elects not to hold, use and own said Unit as a Condominium Unit Owner subject to and in accordance with this Declaration, then the provisions of this Section 16.5 shall take effect immediately upon the condemning authority taking possession of the Unit or Units so taken or condemned:

16.5.1 The Units subject to this Declaration shall be reduced to those Units not taken or condemned (or not sold or otherwise disposed of in lieu of or in avoidance thereof).

16.5.2 The general Common Elements subject to this Declaration shall be reduced to that Common Element not so taken or condemned.

16.5.3 The Limited Common Elements, which were not taken or condemned, but which were appurtenant to Units that were taken or condemned, shall be deemed part of the general Common Elements remaining subject to this Declaration.

16.5.4 The percentage of undivided interest in the Common Elements appurtenant to each Unit not so taken or condemned shall be recalculated on the basis of one vote for each remaining unit.

16.5.5 Except with respect to the share of proceeds apportioned pursuant to Section 16.4, no Owner or Mortgagee of an Unit so taken or condemned shall have, nor shall there be appurtenant to any Unit so

taken or condemned, any right, title, interest, privilege duty or obligation in, to or with respect to the Association and any Unit, Common Element or Limited Common Element which remains subject to this Declaration and which is not so taken or condemned.

16.5.6 Except as otherwise expressly provided in Section 16.5, the rights, title, interest, privileges, duties and obligations of an Owner and Mortgagee in, to or with respect to an Unit not so taken or condemned (and in, to or with respect to the Association and the Common Elements and Limited Common Elements appurtenant to said Unit) shall continue in full force and effect as provided in this Declaration.

16.5.7 The provisions of Section 16.5 shall be binding upon and inure to the benefit of all Owners and Mortgagees of (and other persons having or claiming to have any interest in) all Units which are, as well as all Units which are not, so taken or condemned. All such Owners, Mortgagees and other persons covenant to execute and deliver any documents, agreements or instruments (including but not limited to appropriate amendments to this Declaration, Survey Map and Plans) as are reasonably necessary to effectuate the provisions of Section 16.5.

16.6 Reconstruction and Repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Section 15 above, 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 Section 15.

SECTION 17. - PROCEDURES FOR SUBDIVIDING OR RELOCATING BOUNDARIES BETWEEN UNITS.

17.1 Submission of Proposed Plan of Subdivision or Relocation of Boundaries. Any Unit Owner or owners desiring to subdivide any unit or units, relocate boundaries between them or Common Elements, shall submit to the Board a written request for approval of the proposed plan of subdivision or relocation of boundaries, which request shall be accompanied by plans and proposed amendments to the Declaration, Survey Map and Plans to accomplish the same.

17.2 Approval of Proposed Plan. Within 30 days after a complete written request is submitted to the Board the Board shall approve or deny the

request. Approval shall require unanimous consent of the entire Board. The Board may in its discretion (but it shall not be required to) require that reasonable conditions for the protection of other units or Common Elements be included in any contracts for the work. Approval shall also be conditioned upon the requesting Unit Owner agreeing to pay all the costs involved in amendment of the plans and Declaration.

17.3 Quality of Work. No request shall be approved unless any modifications required by the request: (a) do not affect the structural integrity of the building; (b) do not impair the use of Common Elements, (c) do not adversely affect the outside appearance of the structure, (d) do not result in a Unit with net usable area of less than 1000 sq. ft.; (e) comply with all state and local building and land use ordinances.

17.4 Amendment of Declaration, Survey Map and Plans to Show Subdividing or Relocation. The changes in the Survey Map, if any, and the changes in the plans and Declaration, shall be placed of record as amendments to the appropriate documents before the subdivision or relocation shall be deemed complete. These amendments must be signed by the Association and the affected Unit Owners. The amendment at a minimum must contain:

(a) **Subdivision.** An assigned identifying number for each Unit created and a reallocation of the allocated interests formerly allocated to the subdivided Unit.

(b) **Relocation of Boundaries.** The identity of the Units involved, a statement of the relocation of allocated interests, signatures of Units owners of all affected Units, contain words of conveyance between them, and be recorded in the name of the grantor and the grantee.

17.5 Subdividing or Relocation of Boundaries Affecting a Unit. No subdividing or relocation of boundaries which modifies any Unit or its Limited Common Elements, or immediately and substantially affects any Unit or its Limited Common Elements, may be completed without the consent of the Unit Owner and any mortgagee of the Unit.

17.6 Modification of Units. Each Unit Owner may add or delete rooms within said Unit subject to the other provisions of this Declaration.

SECTION 18 - AMENDMENT OF DECLARATION, SURVEY MAP AND PLANS

18.1 Amendments by Unit Owners. The Declaration and the Survey Map and Plans may be amended at any annual meeting of the Association, or at a special meeting called for such purpose, if sixty seven percent (67%) or more of the Unit Owners vote for such amendment, or without such meeting if all Unit Owners are notified in writing and sixty seven percent (67%) or more approve the amendment in writing; provided, that an amendment changing the allocated interests in the Common Elements shall require the unanimous consent of the Unit Owners. Notice of any proposed amendment shall be given to all Unit Owners and Eligible Mortgagees not less than ten (10) days prior to the date of the meeting at which the proposed amendment will be considered. Copies of any proposed amendment to the Declaration or to the Survey Map and Plans shall be furnished to or made available for the examination of each Unit Owner from and after the time the notice of the proposed amendment is given to the Unit Owners, and prior to any written approvals being obtained.

18.2 Approval by Mortgagees. Any amendment to the Declaration which affects protected mortgagee rights set forth in Section 20.2 hereof shall require the consent of 51% of the Eligible Mortgagees; provided that a Mortgagee who fails to respond within thirty (30) days of a written request to approve an amendment shall be deemed to have approved the request.

18.3 Form and Signature - Recording - Effective Date of Amendments. Amendments to this Declaration and to the Survey Map and Plans shall be effective when recorded with the appropriate county officer where the Condominium is located. Amendments to this Declaration shall be made in an instrument in writing which sets forth the entire amendment and which bears the signature of the president of the Association, attested by the secretary, and shall be acknowledged by them. Any amendments of the Survey Map and Plans shall be accompanied by Declaration amendments explaining the changes made and making any necessary changes in the Declaration.

18.4 Amendment Terminating Condominium - Removal of Property from Submission to Act.

18.4.1 Termination or Removal by Amendment. These covenants and the Condominium status of the property may be terminated and the property removed from submission to The Act by a termination agreement, which has the unanimous consent of all Unit Owners. The termination agreement must meet the requirements of RCW 64.34.268.

18.4.2 Eligible Mortgagee Consent. In addition, all Eligible Mortgagees with liens against any of the Units must consent to the terms of the termination agreement.

18.4.3 Effect of Termination or Removal. Upon termination or removal of the property from the provisions of The Act, unless the property is to be sold pursuant to a termination agreement, the property shall be deemed to be owned by the Unit Owners as provided in RCW 64.34.268(7).

18.5. Special Declarant Rights. No amendment may restrict, eliminate, or otherwise modify any Special Declarant Right or Development Right provided in the Declaration without the consent of the Declarant and any mortgagees of record with a security interest in the Special Declarant Right or in any real property subject thereto, excluding Mortgagees of Units owned by persons other than Declarant.

SECTION 19 - EASEMENTS - ENTRY FOR REPAIRS

This Declaration establishes the following easements:

19.1 In General. In addition to the rights and easements reserved or provided for under The Act (which shall be accorded whether this Declaration is recognized under The Act or as real covenants or equitable servitudes) each Unit has an easement for ingress and egress to its original entries through the Common Elements, and is granted easements as required through Common Elements and other Units for: Location of all pipes, wiring and plumbing and for all structural or service elements necessary or convenient for the occupation of the Unit for its intended use. All such easements shall be located as such features are located in the buildings as built, or as they may become located due to settling, repair, or reconstruction. The easements extend to reasonable access for purposes of repair, replacement or maintenance so long as the areas where they are located are restored after completion of such work. The easements here created are intended for implementing and maintaining the original plans as effected in the building as built, but not to authorize features not contemplated in the original plans unless such new features are authorized by Board action and do not materially and adversely affect the Common Elements or any Unit.

19.2 Right of Entry for Maintenance, Repairs, Emergencies or Improvements. The Association shall have the right to have access to each

Unit from time to time as may reasonably be necessary for maintenance, repair, or replacement or improvement of any of the Common Elements accessible therefrom, or for making repairs necessary to prevent damage to the Common Elements or to other Units, or for any emergency situations. This right of entry prohibits Unit Owners from changing locks in order to hinder entry by representatives of the Association. The Association may, by rule, require that the manager maintain a key to each Unit.

19.3. Utility Easements. The Board, on behalf of the Association and all members thereof, shall have the authority to grant utility, road and similar easements, licenses and permits under, through or over the Common Elements, the roadways and the areas shown as easements on the Survey Map and Plans, which easements the Board determines are reasonably necessary to the ongoing development and operation of the property and which would not materially interfere with the use and enjoyment of the easements.

19.4. Encroachments. Each Unit and all Common and Limited Common Element is hereby declared to have an easement over all adjoining Units and Common and Limited Common Element, for the purpose of accommodating any encroachment due to engineering errors, or errors in original construction, reconstruction, repair of any portion of the Building, or any other similar cause, and any encroachment due to building overhang or projection. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful act or acts with full knowledge of said Owner or Owners. In the event a Unit or Common or Limited Common Element is partially or totally destroyed, and then repaired or rebuilt, the Owners agree that minor encroachments over adjoining Units and Common and Limited Common Elements shall be permitted, and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any Unit. The provisions of this Section are intended to supplement RCW 64.34.252 and, in the event of any conflict, the provisions of RCW 64.34.252 shall control.

SECTION 20 - MORTGAGEE PROTECTION

20.1 Priority of Mortgage. Except where contrary to the Act any lien of the Association for common expense charges shall be subordinate to a eligible mortgage recorded prior to the date the assessment becomes payable. The

assessment lien shall not be affected by any sale or transfer of a Unit, except that a sale or transfer pursuant to a foreclosure of a eligible mortgage shall extinguish a subordinate lien for common expenses, charges and assessments which became payable prior to the date of such sale or transfer. Any such sale or transfer pursuant to a foreclosure shall not relieve the purchaser or transferee of a Unit from liability for, nor the Unit so sold or transferred from the lien of, any common expense charges thereafter coming due.

20.2 Notices to Mortgagees. An Eligible Mortgagee shall be provided timely written notice of: (a) any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appurtenant thereto, (ii) the interests in the general or Limited Common Elements appertaining to any Unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the Owners Association appertaining to any Unit or (iv) the purposes to which any Unit or the Common Elements are restricted; (2) any proposed termination of the Condominium regime; (3) any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a eligible mortgage held, insured or guaranteed by such Eligible Mortgagee; (4) any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to the mortgage of such Eligible Mortgagee, where such delinquency has continued for a period of sixty days; (5) any lapse, cancellation or material modification of any insurance policy maintained by the Association pursuant to this Declaration.

20.3 Consent to Amendment. Eligible Mortgagees must approve any material amendment of any provisions of the Declaration, by-laws or equivalent documents or to add any material provisions thereto, which establish, provide for, govern or regulate any of the following: (a) voting rights; (b) increases in assessments that raise the previously assessed amount by more than 25%, assessment liens or subordination of such liens; (c) Reductions in reserves for maintenance, repair and replacement of the Common Elements; (d) Responsibility for maintenance and repair of the Condominium; (e) reallocation of interests in the general or Limited Common Elements, or rights to their use; (f) redefinition of any Unit boundaries; (g) convertibility of Units into Common Elements or vice versa; (h) expansion or contraction of the Condominium, or the addition, annexation, or withdrawal of property to or from the Condominium; (i) hazard or fidelity insurance requirements; (j) imposition of any restrictions on the leasing of Units; (k) imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit; (l) Establishment of self-management by the Condominium Association where professional management has been required by any of the agencies of the Eligible Mortgagees. (m) restoration or repair of the

Condominium (after damage or partial condemnation) in a manner other than that specified in the documents; (n) any provisions that expressly benefit mortgage holders, insurers, or guarantors.

Any such amendment must be approved by the 51% of the Eligible Mortgagees and at least sixty seven percent of the total allocated votes in the Owners Association. If this Declaration elsewhere requires a percentage higher than sixty seven percent for amendment by the Unit Owners then that higher percentage requirement shall apply.

20.4 Restoration and Repair. Any restoration and repair of the Condominium after a partial condemnation or damage due to destruction due to an insurable hazard shall be substantially in accordance with the Declaration and original plans and specifications unless the approval of the Eligible Mortgagees on Units to which at least 51% of the votes of Units subject to mortgages held by such eligible holders is obtained.

20.5 Termination After Taking or Destruction. Any election to terminate the Condominium regime after substantial destruction or a substantial taking in condemnation of the Condominium property must require approval of the eligible holders of eligible mortgages on Units to which at least 51% of the votes of Units subject to mortgages held by such eligible holders are allocated and at least sixty seven percent of the total allocated votes in the Owners Association.

20.6 Other Termination. Any election to terminate the Condominium regime other than after substantial destruction or a substantial taking in condemnation of the Condominium property must require approval of the eligible holders of eligible mortgages on Units to which at least sixty seven percent of the votes of Units subject to mortgages held by such eligible holders are allocated and at least sixty seven percent of the total allocated votes in the Owners Association.

20.7 Inspection of Books. All mortgagees shall have the right to examine the books and records of the Condominium Association or the Condominium project upon request during normal business hours.

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

SECTION 21 - MISCELLANEOUS PROVISIONS

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

21.2 Records. The Board shall cause to be kept complete and accurate books and records of the receipts and expenditures of the Association, itemizing the expenses incurred and current copies of the Declaration, Articles of Incorporation, Bylaws, and other rules concerning the Condominium. Such books and records, Condominium documents, and the directives authorizing payments shall be available for examination by the Unit Owners, their agents, mortgagees, or attorneys, at any reasonable time or times. All books and records shall be kept in accordance with good accounting procedures and processed according to law. At least annually the financial statements of the Condominium shall be audited by a certified public accountant unless the Unit Owners of Units to which 60% of the votes are allocated waive this requirement.

21.3 Accounts. The Association shall maintain sufficient accounts for current operations and reserves as deemed necessary by the Treasurer. The funds of the Association shall not be commingled with the funds of any other Association or any other person responsible for the custody of such funds. Any reserve funds of an Association shall be kept in a segregated account and any transactions affecting such funds, including the issuance of checks, shall require the signature of at least two persons who are officers or directors of the Association.

21.4 Enforcement - Remedies. Each Unit Owner shall comply strictly with the provisions of this Declaration and the Bylaws, as amended from time to time. Failure to comply shall be grounds for an action to recover sums due, or for damages, or injunctive relief, or for any appropriate remedy, maintainable by the Board or officers of the Association on behalf of the Unit Owners, or in a proper case, by an aggrieved Unit Owner against the Association, or other Unit Owners. Failure to comply shall also entitle the Association to collect reasonable attorney's fees incurred by reason of such failure, irrespective of whether any suit or other judicial proceeding is commenced, and if suit is brought because of such failure, all costs of suit may be recovered in addition to reasonable attorney's fees by the prevailing party. No right or remedy provided or reserved by this Declaration is exclusive of any other right or remedy, and in addition to the foregoing, the Association shall have such rights and remedies as may be provided in this Declaration, the Bylaws, The Act or otherwise existing at law, in equity or by statute.

21.5 Waiver. The failure of the Association, the Board, the Association officers or agents, or the Declarants, to require, in any one or more instances, strict performance of or compliance with any of the terms, covenants, conditions or restrictions contained in this Declaration, the Bylaws, or The Act, or to serve any notice or to institute any action or proceeding, shall not be construed as a waiver or a release thereof, but the same shall continue and remain in full force and effect; and the receipt by any of said parties of any sum paid by a Unit Owner, with or without the knowledge of the breach of or failure to comply with any such provision, shall not be deemed a waiver thereof; and no waiver, express or implied, of any such provisions shall be effective unless made in writing pursuant to procedures specified herein, or in the Bylaws or in The Act, or if no such procedures are specified, then in writing and signed by the president of the Association pursuant to the authority contained in a resolution of the Board, or by the managing authority.

21.6 Limitation of Liability.

21.6.1 Liability for Utility Failure, etc. Except to the extent covered by insurance obtained by the Board pursuant to Section 14, neither the Association nor the Board shall be liable for: any failure of any utility or other service to be obtained and paid for by the Board; or for injury or damage to person or property caused by the elements, or resulting from electricity, water, rain, dust or sand which may lead or flow from outside or from any parts of the buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place; or for inconvenience or discomfort resulting from any action taken to comply

with any law, ordinance or orders of a governmental authority. No diminution or abatement of common expense assessments shall be claimed or allowed for any such utility or service failure, or for such injury or damage, or for such inconvenience or discomfort.

21.6.2 No Personal Liability. So long as a Board member, or Association committee member, or Association officer, or Declarants or Declarants' managing agent exercising the powers of the Board, has acted in good faith, without willful or intentional misconduct, upon the basis of such information as may be possessed by such person, then no such person shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of such person; provided, that this section shall not apply where the consequence of such act, omission, error or negligence are covered by insurance obtained by the Board pursuant to Section 14.

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

21.7 Interpretation.

21.7.1 Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development and operation of this Horizontal Property Regimes. It is intended also that, insofar as it affects this Declaration, Bylaws and Condominium development, the provisions of the Act, referenced herein under which this Declaration is operative, shall be liberally construed to effect the intent of this Declaration and the Bylaws insofar as reasonably possible.

21.7.2 Gender and Number. When interpreting this Declaration, or the Bylaws, or any Rules and Regulations, the singular may include the plural and the masculine may include the feminine, or vice versa, where the context so admits or requires.

21.7.3 Declaration Effect as Covenants or Servitudes. It is intended that the covenants of this Declaration, together with any Condominium Plans by reference incorporated herein or filed simultaneously herewith, and all amendments to the said Declaration shall be operative as covenants running with the land, or equitable servitudes, supplementing and interpreting The Act, and operating independently of The Act should The Act be, in any respect, inapplicable, to establish the common plan for the Condominium development and its operation as indicated herein and in the Survey Map and Plans; provided, however, that the provision of this Declaration shall not be so applied if the property is removed from submission to The Act or discontinued in whole or part as a Condominium development, unless such continued application of all or a part of the Declaration is specifically called for or reasonably implied for all or part of the property.

21.8 Severability. The provisions hereto shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof if the remaining portions are sufficient under The Act, or as covenants running with the land, or as equitable servitudes, to effect the common plan for division into Units for individual ownership.

21.9 Effective Date. This Declaration shall take effect upon recording.

21.10 Reference to Survey Map and Plans. The Survey Map and Plans for the Condominium development referred to herein were recorded with the proper county recording authority simultaneously with the recording of this Declaration, under No. 200203125007 in Snohomish County. The recording authority, the Declarants, or any title company or escrow company or institutional lender is authorized to insert the correct recording data, or correct the same, above the signatures on this document.

SECTION 22 - RETAINED DEVELOPMENT RIGHTS BY DECLARANT

Declarant retains the following Development Rights:

22.1. Subdivision and Combination. Declarant shall have the right to subdivide and combine Units (owned by Declarant) or convert Units (owned by Declarant) into Common Elements. Whenever Declarant exercises a Development Right to subdivide, combine or convert a Unit previously created into additional Units, Common Elements or both:

(a) If Declarant converts the Unit entirely to Common Elements, the amendment to the Declaration must reallocate all of the Allocated Interest of that Unit among the other Units as if that Unit had been taken under condemnation as provided in this Declaration.

(b) If Declarant subdivides the Unit into two or more Units, whether or not any part of the Unit is converted into Common Elements, the amendment to the Declaration must reallocate all the Allocated Interests of the Unit among the Units created by the subdivision in any reasonable and equitable manner prescribed by the Declarant.

(c) If Declarant combines two or more Units, the amendment to the Declaration must reallocate to the new Unit all of the Allocated Interests formerly allocated to the Units so combined.

22.2. Different Parcels; Different Times.

(a) Any Development Right may be exercised with respect to different parcels of Real Property at different times.

(b) No assurances are made as to final boundaries of such parcels or as to the order in which those parcels may be subjected to the exercise of each Development Right.

(c) Even though a Development Right is exercised in any portion of the Real Property subject to that right, that right need not be exercised in all or any other portion of the remainder of the Real Property.

22.3 Exercise of Development Rights. To exercise any Development Right reserved under this Section, the Declarant shall prepare, execute, and record an amendment to the Declaration as provided in this Declaration and comply with RCW 64.34.232.

22.4. Termination of Development Rights. The foregoing Development Rights shall terminate seven (7) years from the date of recording of the first conveyance of a Unit to an Owner other than Declarant; provided that

Declarant may voluntarily terminate any or all of such Rights at any time by recording an amendment to this Declaration, which amendment specifies which Right is thereby terminated.

22.5. Liability for Damages. The Declarant is subject to liability for the prompt repair and restoration, to a condition compatible with the remainder of the Condominium, of any portion of the Condominium damaged by the exercise of rights reserved the Declarant pursuant to or created by this Declaration or the Act.

22.6. Declarant's Easements. Declarant has an easement through the Common Elements as may be reasonably necessary for the purpose of discharging Declarant's obligations or exercising Special Declarant Rights or Development Rights, whether arising under the Act or reserved in this Declaration.

SECTION 23 - SPECIAL DECLARANT RIGHTS.

23.1 Special Declarant Rights. As more particularly provided in this Section, Declarant for itself and any successor Declarant, has reserved the following Declaration Rights:

23.1.1 Completion of Improvements. Declarant, Unit Owners, their agents, employees and contractors shall have the right to complete improvements and otherwise perform work authorized by the Declaration, indicated on the Survey Map and Plans, authorized by building permits, provided for under any Purchase and Sale Agreement between the Declarant and a Unit Purchaser, necessary to satisfy any express or implied warranty under which Declarant is obligated, or otherwise authorized or required by law.

23.1.2. Sales Facilities of Declarant. Declarant, its agents, employees and contractors shall be permitted to establish and maintain in any Unit still owned by Declarant and in any of the Common Elements, such facilities as in the sole discretion of the Declarant may be reasonably required, convenient or incidental to the construction, sale or rental of Units and appurtenant interests, including but not limited to: business offices, management offices, sales offices, construction offices, storage areas, signs, model Units, and parking areas for all agents, employees, contractors, prospective tenants or purchasers of Declarant. Declarant may maintain signs on the Common Elements advertising the Condominium.

23.1.3. Association Officers. Declarant may appoint or remove any officer of the Association during the period of Declarant Control set forth in this Declaration.

23.1.4. Exercise of Development Rights. Declarant shall have the right to exercise Development Rights, if any under this Declaration and the Act.

23.1.5. Termination of Special Declarant Rights. Except as otherwise stated in this Declaration, the foregoing Special Declarant Rights shall continue as long as Declarant is completing improvements which are within or may be added to the Condominium, or Declarant owns any Units, or any Development Rights remain in effect, provided, that Declarant may voluntarily terminate any or all of such Rights at any time by recording an Amendment to this Declaration, which amendment specifies which Right is terminated.

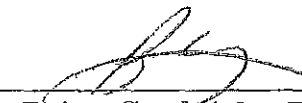
23.2 Development Rights. As more particularly provided in Section 22, the Declarant, for itself and any successor Declarant, has reserved Development Rights which may be exercised as provided by this Declaration and the Act.

23.3. Boundaries of Limited Common Elements. Declarant shall have the right to establish, expand, contract or otherwise modify the boundaries of any Limited Common Element allocated to a Unit; provided, the prior consent will be required from the Owner of the Unit.

23.5. Declarant's Easements. Declarant has an easement through the Common Elements as may be reasonably necessary for the purpose of discharging Declarant's obligations or exercising Special Declarant Rights or Development Rights, whether arising under the Act or reserved in this Declaration.

IN WITNESS WHEREOF, we have hereunto set our names this day:

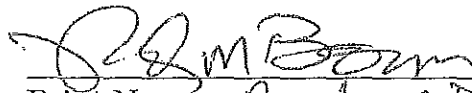
GOODNIGHT BROTHERS CONSTRUCTION, Inc.

by: 
Brian Goodnight, President

STATE OF WASHINGTON)
)ss
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that Brian Goodnight, signed this instrument as President of Goodnight Brothers Construction, Inc., and on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Goodnight Brothers Construction, Inc. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 6th day of March, 2002


Print Name: Randy M Boyer
NOTARY PUBLIC in and for the
State of Washington, residing
in Edmonds
My appointment expires: 1-1-03

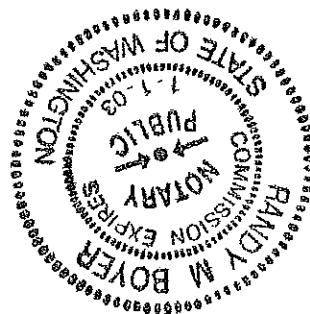


Exhibit A

1. Description of Property included in Condominium

Parcel A

Lot 15 and the North 148 Feet of Lot 16 of Aurora Homesites. According to Plat Recorded in Volume 13 of Plats at Page(s) 92, In Snohomish County, Washington;

Parcel B

Lot 16 of Aurora Homesites, according to Plat Recorded in Volume 13 of Plats at Page(s) 92, In Snohomish County, Washington;

Except the North 148 Feet.

**Ashberry Lane Condominium
Exhibit B to the Declaration**

Building Address	Unit Number	Floor Location	Unit Descriptions - Number of				Square Footage Living Space**	Square Footage with Garage	Allocated Interests ***
			Bathrooms		Bedrooms	Fireplaces (gas)			
			Full	Partial					
7511 210 th St. S.W.	1	*	2	1	3	1	1,521	1,840.6	.0555
7511 210 th St. S.W.	2	*	2	1	3	1	1,516.1	1,835.7	.0555
7511 210 th St. S.W.	3	*	2	1	3	1	1,520.3	1,839.9	.0555
7509 210 th St. S.W.	4	*	2	1	3	1	1,516.1	1,835.7	.0555
7509 210 th St. S.W.	5	*	2	1	3	1	1,516.1	1,835.7	.0555
7509 210 th St. S.W.	6	*	2	1	3	1	1,520.3	1,839.9	.0555
7507 210 th St. S.W.	7	*	2	1	3	1	1,516.1	1,835.7	.0555
7507 210 th St. S.W.	8	*	2	1	3	1	1,516.1	1,835.7	.0555
7507 210 th St. S.W.	9	*	2	1	3	1	1,520.3	1,839.9	.0555
7505 210 th St. S.W.	10	*	2	1	3	1	1,516.1	1,835.7	.0555
7505 210 th St. S.W.	11	*	2	1	3	1	1,516.1	1,835.7	.0555
7505 210 th St. S.W.	12	*	2	1	3	1	1,520.3	1,839.9	.0555
7503 210 th St. S.W.	13	*	2	1	3	1	1,516.1	1,835.7	.0555

7503 210 th St. S.W.	14	*	2	1	3	1	1,516.1	1,835.7	.0555
7503 210 th St. S.W.	15	*	2	1	3	1	1,520.3	1,839.9	.0555
7501 210 th St. S.W.	16	*	2	1	3	1	1,516.1	1,835.7	.0555
7501 210 th St. S.W.	17	*	2	1	3	1	1,516.1	1,835.7	.0555
7501 210 th St. S.W.	18	*	2	1	3	1	1,520.3	1,839.9	.0555
Total									1.00

* **Level** - Each unit is a townhouse style with a garage and living space on the first floor and living space on the second floor.

** **The Square Footage** of the unit is based upon the surveyor's as-built survey and is based on the perimeter boundaries of the interior surfaces of the Unit at floor level as shown on the Survey Map & Plan. The square footage is an approximation.

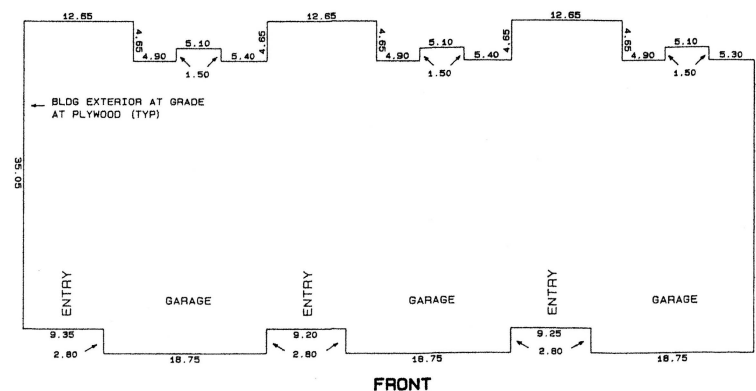
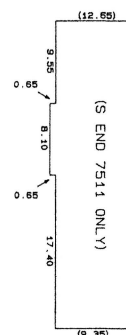
*** **Allocated Interest** of a Unit in Common Elements, Common Expenses and Association Votes was determined in accordance with the formula established in Section 5.2.

There are no moorage slips. There are recreational facilities except the outdoor common elements set forth on the Survey Map and Plans.

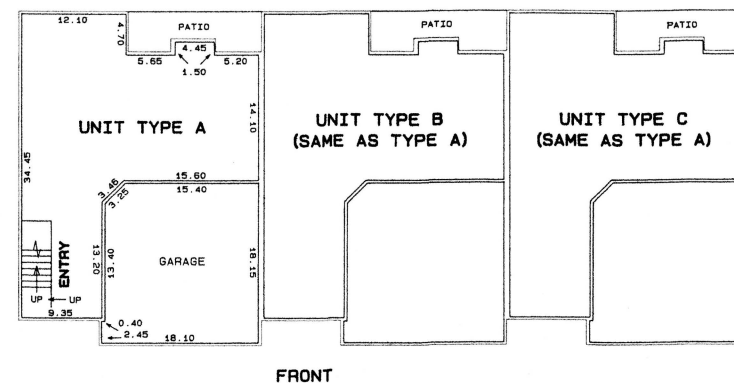
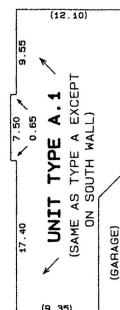
Each Unit has an enclosed garage for parking with space for two cars. The area immediately in front of the garages is a fire lane in which no parking is allowed. There is one spot for guest parking subject to the rules adopted by the association for its use.

SHT 2 OF 3

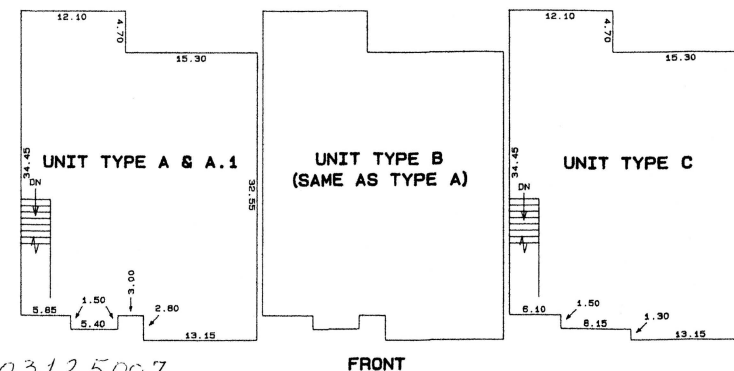
BUILDING EXTERIOR (NO SCALE)



MAIN FLOOR PLANS (NO SCALE)



UPPER FLOOR PLANS (NO SCALE)



PT NO	NORTH	EAST	DESC
1	5032.30	10208.90	SW PAR COR
2	5033.68	10335.33	SE PAR COR
3	5048.01	10220.40	SW BLDG 7511
4	5132.17	10222.33	NW BLDG 7511
5	5135.77	10216.51	SW BLDG 7509
6	5200.93	10219.35	NW BLDG 7509
7	5225.31	10212.57	SW BLDG 7507
8	5309.47	10214.61	NW BLDG 7507
9	5314.93	10309.82	NE BLDG 7504
10	5231.06	10317.03	SE BLDG 7504
11	5226.08	10313.64	NE BLDG 7503
12	5142.22	10312.00	NE BLDG 7503
13	5131.80	10317.51	NE BLDG 7505
14	5052.94	10324.93	SE BLDG 7505

Age Group	No (%)	Yes (%)	Don't know (%)	No answer (%)
0	45	25	15	15
30	35	45	15	5
60	25	55	15	5

REFERENCE RECORD OF SURVEY,
AF# 200103265007, FOR
COMPLETE HORIZONTAL CONTROL

C & C SURVEYING

4509 243rd Place S.W. Mountlake Terrace, WA 98043
(425)673-7502 (206)523-1654



200203125007

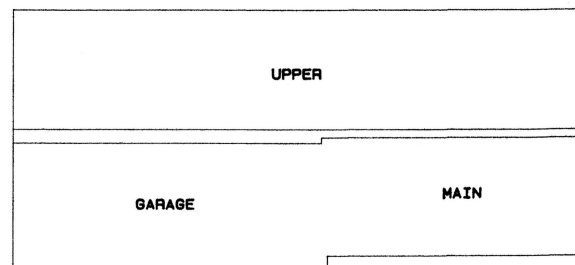
7101C2

ASHBERRY LANE
A CONDOMINIUM
SW 1/4, SW 1/4, SEC. 20, TWN. 27N, RGE. 4E, W.M.
EDMONDS, WASHINGTON

SHT 3 OF 3

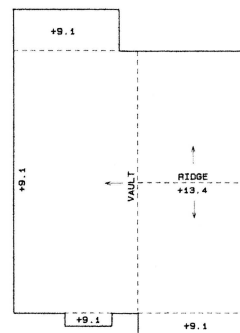
CEILING VARIES IN 7501 & 7507 BUILDINGS, SEE BELOW

UNIT	TYPE	LEVEL	AREA	FLOOR/CEILING
7511 / 1	A.1	Garage	319.6	103.51/112.41
		Main	504.1	104.04/112.64
		Upper	916.9	113.49/122.59
7511 / 2	B	Garage	319.6	104.01/112.91
		Main	599.2	104.54/113.14
		Upper	916.9	113.99/123.09
7511 / 3	C	Garage	319.6	104.51/113.41
		Main	599.2	105.05/113.65
		Upper	921.1	114.50/123.60
7509 / 4	A	Garage	319.6	105.55/114.45
		Main	599.2	106.11/114.71
		Upper	916.9	115.56/124.66
7509 / 5	B	Garage	319.6	106.07/114.97
		Main	599.2	106.61/115.21
		Upper	916.9	116.06/125.16
7509 / 6	C	Garage	319.6	106.55/115.45
		Main	599.2	107.10/115.70
		Upper	921.1	116.55/125.55
7507 / 7	A	Garage	319.6	107.56/116.46
		Main	599.2	108.09/116.69
		Upper	916.9	117.54/VARIES
7507 / 8	B	Garage	319.6	108.08/116.98
		Main	599.2	108.57/117.17
		Upper	916.9	118.02/VARIES
7507 / 9	C	Garage	319.6	108.58/117.48
		Main	599.2	109.10/117.70
		Upper	921.1	118.55/VARIES
7505 / 10	A	Garage	319.6	103.52/112.42
		Main	599.2	104.05/112.65
		Upper	916.9	113.50/122.60
7505 / 11	B	Garage	319.6	104.02/112.92
		Main	599.2	104.55/113.15
		Upper	916.9	114.00/123.10
7505 / 12	C	Garage	319.6	104.53/113.43
		Main	599.2	105.04/113.64
		Upper	921.1	114.49/123.59
7503 / 13	A	Garage	319.6	105.50/114.40
		Main	599.2	106.04/114.64
		Upper	916.9	115.49/124.59
7503 / 14	B	Garage	319.6	106.01/114.91
		Main	599.2	106.53/115.13
		Upper	916.9	115.98/125.08
7503 / 15	C	Garage	319.6	106.48/115.38
		Main	599.2	107.02/115.62
		Upper	921.1	116.47/125.57
7501 / 16	A	Garage	319.6	107.48/116.38
		Main	599.2	108.01/116.61
		Upper	916.9	117.46/VARIES
7501 / 17	B	Garage	319.6	107.99/116.89
		Main	599.2	108.55/117.15
		Upper	916.9	118.00/VARIES
7501 / 18	C	Garage	319.6	108.52/117.42
		Main	599.2	109.04/117.64
		Upper	921.1	118.49/VARIES

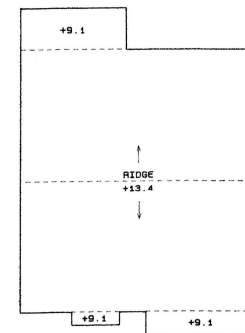


TYPICAL ELEVATION (NO SCALE)

7501 / 16

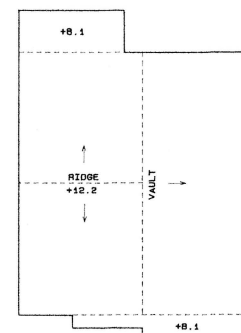


7507 / 7
7507 / 8
7501 / 17



NOTE: DASHED LINES MARKED BY PLUS SIGNS (+) INDICATE MEASURE UP FROM FLOOR TO GABLE OR RIDGE CEILING AT LOCATION SHOWN. ALL OTHER ELEVATIONS ARE PER TABLE.

7507 / 9
7501 / 18

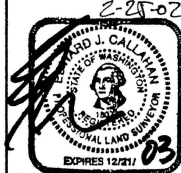


NOTE: THE ABOVE DATA IS BASED ON INFORMATION AVAILABLE AS OF THE DATE OF DECLARANT'S EXECUTION HEREOF. IS SUBJECT TO CHANGE WITHOUT FURTHER NOTICE. AND DOES NOT CONSTITUTE COVENANTS, CONDITIONS, RESTRICTIONS, WARRANTIES OR GUARANTEES CONCERNING USE, DESIGN VALUE OR OTHERWISE.

ALL LAND DESCRIBED HEREIN IS SUBJECT TO DEVELOPMENT RIGHTS SET FORTH IN THE DECLARATION.

NOTES:

1. ALL UNIT DIMENSIONS ARE TO THE SURFACES OF THE WALL STUDS AND ARE SHOWN TO THE NEAREST .05 FEET.
2. ALL FLOOR ELEVATIONS ARE ON THE TOP SURFACES OF FLOOR AND ALL CEILING ELEVATIONS ARE TO THE UNDERSIDE OF THE CEILING JOISTS. ALL ELEVATIONS ARE SHOWN WITHIN 0.05 FEET.
3. PATIOS AND YARDS ARE LIMITED COMMON ELEMENTS (L.C.E.)
4. UNIT NUMBERS ARE SHOWN THUS: 7511 / 1
5. TOTAL UNIT AREA IS IN SQ. FEET INCLUDING SEPARATION WALLS.



C & C SURVEYING

4509 243rd Place S.W. Mountlake Terrace, WA 98043
(425)673-7502 (206)523-1654

200203125007

710103

Ashberry Lane, A Condominium

Condominium Documents

&

Public Offering Statement

Certificate of Incorporation

Public Offering Statement

Articles of Incorporation

Bylaws

Budget

Rules

POS Receipt

STATE of WASHINGTON



SECRETARY of STATE

I, SAM REED, Secretary of State of the State of Washington and custodian of its seal,

hereby issue this

CERTIFICATE OF INCORPORATION

to

ASHBERRY LANE, A CONDOMINIUM OWNER'S ASSOCIATION

A Washington Non-Profit Corporation. Articles of Incorporation were filed for record in this office on the date indicated below

UBI Number: 602 187 812

Date: March 08, 2002



Given under my hand and the Seal of the State
of Washington at Olympia, the State Capital

A handwritten signature in cursive script, reading "Sam Reed", is written over a horizontal line.

Sam Reed, Secretary of State

PUBLIC OFFERING STATEMENT

ASHBERRY LANE, A CONDOMINIUM

UNLESS A PURCHASER IS GIVEN THE PUBLIC OFFERING STATEMENT MORE THAN SEVEN DAYS BEFORE EXECUTION OF A CONTRACT FOR THE PURCHASE OF A UNIT, THE PURCHASER, BEFORE CONVEYANCE, SHALL HAVE THE RIGHT [PURSUANT TO RCW 64.34.420 (1)] TO CANCEL THE CONTRACT WITHIN SEVEN DAYS AFTER FIRST RECEIVING THE PUBLIC OFFERING STATEMENT AND, IF NECESSARY, TO HAVE SEVEN DAYS TO REVIEW THE PUBLIC OFFERING STATEMENT AND CANCEL THE CONTRACT, TO EXTEND THE CLOSING DATE FOR CONVEYANCE TO A DATE NOT MORE THAN SEVEN DAYS AFTER FIRST RECEIVING THE PUBLIC OFFERING STATEMENT. THE PURCHASER SHALL HAVE NO RIGHT TO CANCEL THE CONTRACT UPON RECEIPT OF AN AMENDMENT UNLESS THE PURCHASER WOULD HAVE THAT RIGHT UNDER GENERALLY APPLICABLE LEGAL PRINCIPALS. IF A PURCHASER ELECTS TO CANCEL A CONTRACT, THE PURCHASER MAY DO SO BY HAND DELIVERING NOTICE THEREOF TO THE DECLARANT OR BY MAILING NOTICE THEREOF BY PREPAID UNITED STATES MAIL TO THE DECLARANT. CANCELLATION IS WITHOUT PENALTY, AND ALL PAYMENTS MADE BY THE PURCHASER BEFORE CANCELLATION SHALL BE REFUNDED PROMPTLY.

A PURCHASER MAY NOT RELY ON ANY REPRESENTATIONS OR EXPRESS WARRANTY UNLESS IT IS CONTAINED IN THIS PUBLIC OFFERING STATEMENT OR MADE IN WRITING SIGNED BY THE DECLARANT OR BY ANY PERSON IDENTIFIED IN THE PUBLIC OFFERING STATEMENT AS THE DECLARANT'S AGENT.

THIS PUBLIC OFFERING STATEMENT IS ONLY A SUMMARY OF SOME OF THE SIGNIFICANT ASPECTS OF PURCHASING A UNIT IN THIS CONDOMINIUM AND THE CONDOMINIUM DOCUMENTS ARE COMPLEX, CONTAIN OTHER IMPORTANT INFORMATION AND CREATE BINDING LEGAL OBLIGATIONS. YOU SHOULD CONSIDER SEEKING THE ASSISTANCE OF LEGAL COUNSEL.

1. CONDOMINIUM NAME AND ADDRESS:

Ashberry Lane, A Condominium
7501, 7503, 7505, 7507, 7509, 7511
210th St. SW
Edmonds, WA 98026

2. DECLARANT'S NAMES & ADDRESSES:

Goodnight Brothers Construction, Inc.
Brian Goodnight
P.O. Box 669
Edmonds, WA 98026

3. MANAGEMENT COMPANY NAME AND ADDRESS, IF ANY:

TLC Management
P.O. Box 25
Edmonds, WA 98020

4. MANAGEMENT COMPANY/ DECLARANT RELATIONSHIP IF ANY:

None

5. NAME, ADDRESSES AND NUMBER OF UNITS IN 5 MOST RECENT CONDOMINIUMS COMPLETED (THAT IS, AT LEAST 1 UNIT THEREIN HAS BEEN RENTED OR SOLD) WITHIN THE PAST 5 YEARS BY DECLARANT OR DECLARANT'S AFFILIATE:

1. Cottage Crest -- 7803 & 7805 196th St. SW, Edmonds, WA 98026
7 units completed 1994
2. Stratton Place -- 15633 44th Avenue W, Lynnwood, WA 98036
11 units completed 1995
3. Rose Pointe -- 21307 & 21311 76th Avenue W, Edmonds, WA 98026
12 units completed 1996

4. Rose Ridge – 21313, 21315, 21317 76th Avenue W, Edmonds, WA 98026
12 units completed 1998

5. Rose Monte – 8125 & 8127 212th St. SW, Edmonds, WA 98026
12 units completed 1999

6. NATURE OF INTEREST:

Declarants are offering for sale fee simple interest in residential condominium apartments together with the appurtenant undivided interest in the common areas.

7. PERMITTED AND RESTRICTED USES FOR UNITS AND COMMON ELEMENTS:

The building and the units are restricted to single family residential use on an ownership, rental or lease basis and for social recreational or other reasonable activity incidental thereto. Declaration Section 7.1.

8. RENTAL RESTRICTIONS. Although leasing of the units is permitted, there are certain requirements relating to leases of units, such as the form of the leases, notices to the Association and rights of the Board. No unit can be leased for a period of less than 30 days. Declaration Section 7.2

9. NUMBER OF UNITS:

Eighteen (18) units in the Condominium.

10. PRINCIPAL AMENITIES MATERIALLY AFFECTING VALUE:

There are no existing common amenities, which materially affect the value of the units. Declarants do not plan to add any common amenities at a later date.

11. LIMITED COMMON ELEMENTS:

Each unit includes the following limited common areas reserved for use by the individual unit owners: Patios and entry areas. These are shown on the Survey Map and Plans and described in Section 4.3 of the Declaration.

12. LAND NOT IN THE CONDOMINIUM, OWNERS OF WHICH MAY ACCESS COMMON ELEMENTS:

None

13. LAND NOT IN THE CONDOMINIUM TO WHICH UNIT OWNERS HAVE ACCESS:

None.

14. STATUS OF CONSTRUCTION:

All of the work on the units and common area is complete except for the following: none

15. UNIT COMMON EXPENSE:

The estimated current Common Expense liability of Units is:

<u>Unit #</u>	<u>Monthly Dues</u>	<u>Capital Contribution</u>
1	\$155.00	\$300.00
2	\$155.00	\$300.00
3	\$155.00	\$300.00
4	\$155.00	\$300.00
5	\$155.00	\$300.00
6	\$155.00	\$300.00
7	\$160.00	\$300.00
8	\$160.00	\$300.00
9	\$160.00	\$300.00
10	\$155.00	\$300.00
11	\$155.00	\$300.00

12	\$155.00	\$300.00
13	\$155.00	\$300.00
14	\$155.00	\$300.00
15	\$155.00	\$300.00
16	\$160.00	\$300.00
17	\$160.00	\$300.00
18	\$160.00	\$300.00

16. ASSESSMENTS DUE AT CLOSING:

The estimated Unit Assessments due at closing are \$300.00 per unit.

17. OTHER UNIT FEES:

Except for regular assessments and special assessments that may be imposed, there are no other fees that may presently be charged against Units by Declarant or the Association for use of the common elements. Each unit will have their own account for power, telephone, gas, and cable.

18. GOVERNMENTAL ASSESSMENTS:

Declarants are not aware of any governmental assessments, which may become liens against the Units or the Common Areas if not paid except for normal real property taxes.

19. UNIT OWNER MAINTENANCE:

Each Unit owner is responsible for maintaining the interior of his or her own unit. (See Section 7.4.). Provided that the Association is granted the right and responsibility to maintain the building exteriors, roofs, structural walls, and common elements.

20. TIMESHARING:

No timesharing is allowed for the units in this condominium. Section 7.2 of the Declaration.

21. DEVELOPMENT RIGHTS: The Declarant has reserved the following development rights:

- (a) To subdivide and combine units.
- (b) To develop different units at different times.
- (c) To establish or modify limited common elements.

Unless voluntarily terminated by Declarant at an earlier date, the foregoing Special Declarant rights shall continue so long as Declarant owns any units in the Condominium or land subject to Development Rights.

22. SPECIAL DECLARANT RIGHTS:

The Declarants have reserved the following Special Declarant Rights:

- a. To maintain sales offices, signs advertising the condominium and model units. This right shall last for so long as the Declarants own any units in the Condominium.
- b. To appoint or remove any officer of the association or any member of the Board of Directors during the reserved period of Declarant Control. This right shall terminate as provided in Section 11 of the Declaration of Condominium, but no later than five years after the first conveyance of a unit.
- c. To complete improvements as authorized by existing building permits.

The Special Declarant Rights are set forth in Section 23 and Section 11 of the Declaration. Unless voluntarily terminated by Declarant at an earlier date, the foregoing Development rights shall continue as long as the Declarant is completing improvements which are within or which may be added to the Condominium, or Declarant owns any units, or any Development Rights remain in effect.

23. MODEL UNITS:

Unit #2 has been set aside as a model unit. All units will be made

available for inspection at the discretion of the Declarant. The sale to purchasers will be based upon their inspection of the unit being purchased. Furniture, furnishings and other interior decorations within a Unit (including but not limited to window coverings) are not included in the Unit unless specifically provided for in the written purchase agreement.

24. ASSOCIATION PROPERTY LIENS:

There will be no liens on real property to be conveyed to the Association.

25. PHYSICAL HAZARDS:

Declarants know of no physical hazards, which particularly affect the condominium, or the immediate vicinity in which the condominium is located which are not readily ascertainable by purchasers.

26. CONSTRUCTION WARRANTIES:

The units and the common and limited common elements will be sold without warranty except as provided below or as required by statute. Purchaser shall have the opportunity to inspect the unit and the common elements prior to closing. Declarants shall assign to purchaser any warranties issued by any manufacturer or supplier of new equipment or appliances installed in the units.

27. BUILDING CODE VIOLATIONS:

No building code violations exist which have not been fully corrected.

28. LITIGATION:

There are no unsatisfied judgments against the Association, nor are there any pending lawsuits against them. To the best of Declarant's knowledge there are no pending lawsuits material to the condominium.

There have been no lawsuits by any owner's association, unit owner, or governmental agency in which the Declarant or any affiliate of the Declarant has been a defendant, arising out of the construction, sale, or administration of any condominium within the previous five years.

29. RIGHTS OF FIRST REFUSAL:

There exist no rights of first refusal to sell or lease Units or Common Elements.

30. ASSOCIATION INSURANCE:

The Association is required to maintain insurance on the common areas and on the buildings within a unit owned by the unit owners. See Section 14 of the Declaration. Each Unit owner should consult with his or her own insurance agent to make sure full coverage of their unit and its contents is provided.

31. DOCUMENTS PURCHASER IS ENTITLED TO RECEIVE:

The purchaser is entitled to receive copies of the following documents, which may be in draft form: Declaration; Survey Map and Plans; Association Articles of Incorporation; Bylaws; Association Rules and Regulations (if any); Association current proposed budget; the Associations' Balance Sheet (if assessments have been collected for 90 days or more).

32. INSULATION DATA:

Unit Type 1: Building # 7503, 7505, 7509, 7511

Unit Type 2: Building # 7507, 7501

Type 1

Area	Type	Thickness	R-Value
Walls (exterior)	Batt	3.5 Inches	13
Walls (between units)	Batt	3.5 Inches	13

Second Floor Ceilings	Batt and Blown	9.25 - 12 Inches	38
Ground Flood	Batt	5.5 Inches	19

Type 2

Area	Type	Thickness	R-Value
Walls (exterior)	Batt	3.5 Inches	13
Walls (between units)	Batt	3.5 Inches	13
Second Floor Ceilings	Batt	9.25 - 3.5 Inches	60 Average
Ground Flood	Batt	5.5 Inches	19

DECLARANT -

Goodnight Brothers Construction, Inc.

602-187-812

FILED
SECRETARY OF STATE
MAR 08 2002
STATE OF WASHINGTON

**ARTICLES OF INCORPORATION
OF
ASHBERRY LANE, A CONDOMINIUM OWNER'S ASSOCIATION**

The undersigned, in order to form a nonprofit corporation under Chapter 24.03 of the Revised Code of Washington, hereby signs and verifies the following Articles of Incorporation:

**ARTICLE I
NAME**

The name of the Association is ASHBERRY LANE, A CONDOMINIUM OWNER'S ASSOCIATION.

**ARTICLE II
DURATION**

The duration of the corporation shall perpetual.

**ARTICLE III
REGISTERED AGENT & OFFICE**

The Initial Registered office of the Association is 22702 93rd Avenue West, Edmonds, Washington 98020, and the initial registered agent at such address is Michele Fellows.

**ARTICLE IV
PURPOSES**

The purposes and objects of this Association are as follows:

Section 1. Purposes: To provide an entity pursuant to the Revised Code of Washington, Chapter 64.34 (The Washington Condominium Act) hereinafter called the Condominium Act, for the operation of the ASHBERRY LANE, A Condominium.

Section 2. Limitations:

2.1 The Association shall have no capital stock, and no part of its net earnings shall inure to the benefit of any director, officer or member of the Association, or any private individual.

Article V.
POWERS

The powers of the Association shall include and be governed by the following provisions:

1. The Association shall have all the powers of the common law and statutory powers of an Association not for profit which are not in conflict with the terms of these Articles.

2. The Association shall have all of the powers and duties set forth in the Washington Condominium Act except as limited by these Articles and the Declaration of Condominium hereinafter called the Declaration, and all the powers and duties reasonably necessary to operate the condominium as set forth in the Declaration and as it may be amended from time to time.

ARTICLE VI
MEMBERS

1. The members of the Association shall consist of all the record owners of units.

2. Change in membership in the Association shall be established by the recording in the public records of Snohomish County, Washington, a deed or other instrument establishing a record title to a unit in the condominium and the delivery to the Association of a copy of such instrument, the owner designated by such instrument thereby becoming a member of the association. The membership of the prior owner shall be thereby terminated.

3. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his unit.

4. The members of the Association shall each be entitled to voting rights. The exact number of votes to be cast by unit owners and the manner of exercising voting rights shall be determined by the Declaration and Bylaws of the Association.

ARTICLE VII **DIRECTORS**

1. The management of the Association will be vested in a board of no less than one director. The number, qualifications, terms of office, manner of election, time and place of meeting, and powers and duties of trustees shall be such as are prescribed by the Bylaws of the Association.

2. The names and address of the directors who will first manage the affairs of the Association until the first annual meeting of the membership, as provided in the Bylaws, and until successors are elected and qualified is:

Brian Goodnight
Goodnight Brothers Construction, Inc.
P.O. Box 669
Edmonds, WA 98026

ARTICLE VIII **BYLAWS**

The authority to make, alter, amend or repeal Bylaws is vested in the Board of Directors, and may be exercised in the manner provided in the Bylaws.

ARTICLE IX **INDEMNIFICATION**

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, or any settlement thereof, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights which a director or officer may be entitled.

ARTICLE X

AMENDMENT

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

2. A resolution approving a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meetings considering the amendment may express their approval or disapproval in writing, providing such approval is delivered to the Secretary at or prior to the meeting.

3. Approval of an amendment must be by not less than 75% of the votes of the entire membership of the Association.

4. No amendment shall make any changes in the qualifications for membership, the voting rights of members, nor the value interest of unit owners in the common area without approval in writing by all members.

ARTICLE XI **DISSOLUTION**

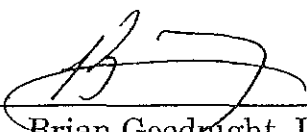
If the Association is dissolved for any reason, the net assets shall be distributed to the members at the time of dissolution or their heirs, successors, and assigns.

ARTICLE XII **INCORPORATOR**

The name and address of the incorporator of the Association is as follows:

Brian Goodnight
Goodnight Brothers Construction, Inc.
PO BOX 669 Edmonds, WA 98026

IN WITNESS WHEREOF, I have hereunto set my hand this 6 day of
MARCH, 2002.

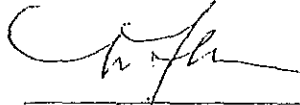


Brian Goodnight, Incorporator

**CONSENT TO APPOINTMENT AS REGISTERED AGENT
OF ASHBERRY LANE, A CONDOMINIUM OWNERS ASSOCIATION**

Michele Fellows hereby consents to serve as Registered Agent, in the State of Washington, for the above-named Association. The undersigned understands that as agent for the Association, it will be her responsibility to receive service of Process in the name of the Association; to forward all mail to the Association; and to immediately notify the Office of the Secretary of State in the event of resignation by the undersigned, or of any change in the Registered Office Address of the Association.

DATED as of March 1, 2002



Michele Fellows

Address of Registered Agent:

22702 - 98th Avenue W
Edmonds, WA 98020
(425) 280-5253

BYLAWS
OF
ASHBERRY LANE CONDOMINIUM OWNERS' ASSOCIATION

The following are Bylaws of the ASHBERRY LANE CONDOMINIUM OWNERS' ASSOCIATION, a Washington incorporated non-profit association. These Bylaws provide for operation of the ASHBERRY LANE, A CONDOMINIUM, a condominium established under the laws of the State of Washington. They apply to the entire condominium, each unit therein, and all common areas and facilities. Each unit owner automatically, by virtue of such ownership, becomes a member of the association. All present and future owners, mortgagees and their encumbrancers, lessees, tenants, licensees, and occupants of units, and their guests and employees, and any other person who may use the facilities of the condominium are subject to these Bylaws, the Declaration for the ASHBERRY LANE, A CONDOMINIUM and the rules and regulations pertaining to use and operation of the condominium.

Words and phrases that are defined in the Declaration shall have the same meaning in these Bylaws.

ARTICLE 1
MEMBERSHIP; REGISTER; VOTING

Section 1.1 Membership. The owners of the units in the condominium shall constitute the association. Corporations, partnerships, associations, and other legal entities, trustees under an express trust, and other fiduciaries, as well as natural persons, may be members of the association. Each such owner or contract purchaser shall automatically upon purchasing such a unit, be deemed to have applied for membership in the association and shall automatically be enrolled therein. In those cases where any unit shall be purchased or owned by a partnership, corporation or any other legal entity other than an individual, such entity shall appoint an individual to be the member hereof.

Section 1.2 Number of Votes. For purposes of determining voting rights of association members, the total voting power of all units shall equal the number of units. Each unit owner is entitled to one vote. Whenever the approval of a stated percentage of the unit owners is required in the Declaration or these Bylaws, or where a percentage vote is required, unless expressly stated otherwise, the percentage shall be determined by reference to the voting power of the units as defined above.

Section 1.3 Person Authorized to Vote. There shall be one voting representative for each unit. The voting representative shall be designated by the owner or owners of each unit by written notice to the Board and need not be a unit owner. The designation may be changed or revoked at any time by the unit owner or owners by written notice to the Board. The death or judicially declared incompetence of the unit owner shall revoke

the designation, provided that such revocation shall not be effective until the Board has received notice of such death or incompetence. The powers of designation and revocation may be exercised by the guardian, trustee, administrator or personal representative of a unit owner or his estate. Where no designation is made, or where a designation has been made it is revoked, the voting representative of each unit shall be the group composed of all of its owners. The association may recognize the vote of any one or more of such owners present in person or by proxy at any meetings of the association as the vote of all such owners. If there is more than one such owner present at any meeting or if there are disputed claimants to voting rights, and they do not agree to vote the unit's vote unanimously, the majority of said owners or claimants shall prevail and the vote allocated to said unit case accordingly. In the event that a majority of co-owners cannot be obtained on any issue, the unit vote shall be entirely disregarded.

Section 1.4 Pledge of Power to Designated Voting Representative. The power to designate a voting representative may be pledged to the holder of a security interest in a unit. If the power is so pledged, and if a copy of the instrument is filed with the Board, and if the secured party's designee attends the meeting and requests to exercise the vote, then the vote of each designee shall be recognized as to the issues respecting which the pledge was given.

Section 1.5 Pledge of Votes for or Ownership of More Than One Unit - Voting. A person who owns more than one unit (including Declarants and any mortgagee) or to whom voting rights have been pledged for more than one unit is entitled to exercise the combined total voting power of all such units.

Section 1.6 Register of Members. Certificates evidencing membership in the Corporation may be issued by the Corporation to all of its memberships or, at the discretion of the Board of Directors, certificates may be dispensed with and the membership be recorded by the association upon its books. Persons who purchase an interest in a unit shall promptly inform the Board of Directors of their interest. Persons who claim to be members of the association shall, upon request, furnish the Board with copies of any documents under which they assert ownership of a unit or any interest therein, and any mortgages thereon.

ARTICLE II MEETINGS OF MEMBERS

Section 2.1 Place. Meetings of the members of the association shall be held at such suitable place as may be convenient to the membership and designated from time to time by the Board.

Section 2.2 Annual Meeting. The annual meeting of the association shall be held in the first quarter of each year, on a date fixed by the Board. At such annual meetings there shall be a financial report, the owners shall elect members to the Board or fill vacancies therein, and such other business as shall come before the meeting may be transacted.

Section 2.3 Special Meetings. It shall be the duty of the president to call a special meeting of the association as directed by resolution of the Board or upon the written request of a majority of the Board or upon the written request of owners having twenty (20%) percent of the total voting power of the association. A meeting called at the request of the members shall be held at such time as the president may fix, which time shall not be less than 15, nor more than 30 days after the receipt of the written request therefore.

Section 2.4 Notice of Meetings. It shall be the duty of the secretary to give notice of each annual and special meeting, stating the purpose thereof and the time and place where it is to be held, to each member of the association and to each mortgagee that has requested notice. Notice shall be given at least 30 days before annual meetings and at least ten days before special meetings. Before any meeting of the association, any member may, in writing, waive notice of such meeting. Attendance by a member at a meeting of the association shall be a waiver by him of timely and adequate notice unless he expressly challenges the notice when the meeting begins.

Section 2.5 Quorum. The presence in person or by proxy of members of the association or voting representatives holding fifty percent (50%) of the total voting power shall constitute a quorum for the transaction of business at any meeting of members of the association.

Section 2.6 Proxies. Any unit owner or voting representative may vote by proxy. Proxies shall be in writing, signed by the unit owner, or voting representative, and filed with the Board. Any designation of proxy must be signed by all owners of a unit; but where husband and wife are owners, the proxy need be signed by only one spouse unless the other spouse notifies the Board not to accept the proxy.

Section 2.7 Majority Vote. Except as otherwise provided by statute, by the Declaration, or by these Bylaws, passage of any matter submitted to vote at a meeting where a quorum is in attendance, shall require the affirmative vote of at least fifty one percent (51%) of the voting power present.

Section 2.8 Order of Business. The order of business at meetings of the association shall be as follows unless dispensed with on motion:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Minutes of preceding meeting;
- (d) Reports of officers;
- (e) Reports of committees;

- (f) Election of directors (annual meeting or special meeting called for such purpose);
- (g) Unfinished business;
- (h) New business;
- (i) Adjournment.

Section 2.9 Parliamentary Authority. In the event of dispute, the parliamentary authority for the meetings shall be the most current available edition of Robert's Rules of Order.

ARTICLE III -DIRECTORS

Section 3.1 Number and Qualifications. The affairs of the association shall be governed by a Board of not less than three directors, who shall be elected by ballot from the members of the association. Initially the Board shall be comprised of three directors. The members of the association at any annual meeting may change the number of directors within those limits, but shall not reduce the number in such a manner to deny an incumbent director (unless removed for cause) a full term of office. If a corporation is a member of the association, any one of its officers, directors, or shareholders may be elected to the Board; if a partnership is a member, any one partner of such partnership may be elected to the Board.

Section 3.2 Powers and Duties. The Board shall have the powers and duties provided for the administering authority of the condominium in the statutes and in the Declaration, and all other power necessary for the administration of the affairs of the association and may do all such acts and things as are not prohibited by statute or by the Declaration required to be done in another manner. No contract made by the Board or any officer for the association shall have a fixed term longer than one year.

Section 3.3 Managing Agent. The Board may employ an experienced professional managing agent to assist the Board in the management and operation of the condominium.

Section 3.4 Election and Term of Office. As soon as practical, there shall be a meeting of the association to elect a Board of three directors to serve until the first day of the calendar month following the date of adjournment of the first annual meeting. Thereafter, the term of office for directors will begin on the first day of the calendar month following the date of the adjournment of the annual meeting of which they are elected. The normal term of office for directors will be for three years and until their successors are elected and take office. However, to provide for staggered terms, at the first annual meeting one-third of the number of directors (or the whole number nearest to one-third) shall be elected for one year, the same number shall be elected for two years, and the remainder shall be elected for three years.

Section 3.5 Vacancies. Vacancies on the Board caused by reasons other than the removal of a director by a vote of the association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum. Each person so selected shall be a director until a successor is elected at the next annual meeting of the association to serve the balance of the unexpired term.

Section 3.6 Removal of Directors. At any regular or special meeting any one or more of the directors may be removed, with or without cause, by the holders of a majority of a total voting power of the association and successor may then and there be elected to fill the vacancy thus created and to serve the balance of the unexpired term. Any director whose removal has been proposed shall be given an opportunity to be heard at the meetings.

Section 3.7 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each director personally or by mail, telephone, or telegraph at least three days before the day fixed for the meeting.

Section 3.8 Special Meetings. Special meetings of the Board may be called by the president on three days' notice to each director, given personally or by mail, telephone, or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by either the president or secretary in like manner and on like notice on the written request of any two directors.

Section 3.9 Waiver of Notice. Before any meeting of the Board, any director may, in writing, waive notice of such meeting. Attendance by a director at any meeting of the Board shall be a waiver by him of timely and adequate notice unless he expressly challenges the notice when the meeting begins.

Section 3.10 Quorum. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board.

Section 3.11 Open Meeting. Any unit owner or voting representative may attend any meeting of the Board, but shall not be entitled to participate.

ARTICLE IV OFFICERS

Section 4.1 Designation. The principal officers of the association shall be a president, vice president, a secretary, and a treasurer, all of whom shall be elected by the Board. The directors may appoint such other officers as in their judgment may be necessary or desirable. Two or more offices may be held by the same person, except that a person may not hold the offices of president and secretary simultaneously.

Section 4.2 Election of Officers. The Officers of the association shall be elected annually by the Board at the first Board meeting after the annual meeting of the association. They shall hold office at the pleasure of the Board.

Section 4.3 Removal of Officers. At any regular meeting of the Board or at any special meeting of the Board called for such purpose, upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause. A successor to the removed officer may be elected at any such meeting.

Section 4.4 President. The president shall be the chief executive officer of the association. He shall preside at all meetings of the association and of the Board and shall have all powers and duties usually vested in the office of the president.

Section 4.5 Vice President. The vice president shall perform the duties of the president when the president is absent or unable to act and shall perform such other duties as may be prescribed by the Board.

Section 4.6 Secretary. The secretary shall keep the minutes of all meetings of the Board and of the association and shall have the custody of the business records of the Board and the association, other than financial records kept by the treasurer. He shall also perform such other duties as may be prescribed by the Board.

Section 4.7 Treasurer. The treasurer shall have responsibility for association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the association.

Section 4.8 Other Officers and Employees. Other officers of the association and any persons employed to assist the officers, shall have such authority and shall perform such duties as the Board may prescribe within the provisions of the applicable statutes, the Declaration, and these Bylaws.

Section 4.9 Compensation. The Board may pay reasonable compensation to any officer or unit owner who performs substantial services for the condominium in carrying out the management duties of the Board. The Board's decision to compensate an officer shall not become final until 60 days after notice of it (including the amount of compensation to be paid) has been given to all persons entitled to notice of meetings of the association at a meeting duly called and held within 60 days after the notice of the decision was given.

ARTICLE V COMMITTEES

Section 5.1 Committees of Directors. The Board may appoint one or more committees that consist of one or more directors. Such committees, if composed entirely of Board members, shall have and exercise, to the extent provided in the resolution establishing the committee, the authority of the Board in the management of the

association. The appointment of any such committee shall not relieve the Board of its ultimate responsibility of the administration and management of the condominium.

Section 5.2 Other Committees. Other committees, not having or exercising the authority of the Board in the management of the association, may be appointed by the president or the directors, and such committees may be composed of one or more members of the association other than Board members, but at least one member must be a Board member.

ARTICLE VI OBLIGATION OF UNIT OWNERS

Section 6.1 Monthly Assessments. Owners are obligated to pay assessments imposed by the association to meet common expenses as provided in the Declaration.

Section 6.2 Compliance with Covenants, Bylaws and Administrative Rules and Regulations. Each unit owner shall comply strictly with the Declaration, these Bylaws and with the administrative rules and regulations adopted pursuant thereto, as they may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set forth in the deed to his unit. Failure to comply with any of the foregoing shall be grounds for an action to recover sums due, damages, and for injunctive relief, or any or all of them, maintainable by the Board or the managing agent on behalf of the association or by a particularly aggrieved unit owner.

ARTICLE VII HANDLING OF FUNDS

Section 7.1 Accounts. The association shall establish the necessary funds or accounts to provide property for the operation and maintenance of the condominium. Overall superintendency of these funds shall be the responsibility of the treasurer of the association. All accounts with banks or other depositories shall require the signature of two officers on checks or other withdrawals.

ARTICLE VIII KEEPING RECORDS AND REPORTS

Section 8.1 General. The Board shall cause to be kept complete, detailed, and accurate books and records of the receipts and expenditures of the association, in a form that complies with generally accepted accounting principles. The books and records, authorizations for payment of expenditures, and all contracts, documents, papers, and other records of the association shall be available for examination by the unit owners, unit mortgagees, and the agents or attorneys of either of them, during normal business hours and at any other reasonable time or times.

Section 8.2 Financial Reports. The Board shall cause to be issued and mailed to all members of the association and to all unit mortgagees that request them, within 60 days following the end of each fiscal year of the condominium, a financial statement for

the fiscal year, which shall include a balance sheet and a statement of operations and a comparison between the actual expenses of operation and the expenses that had been projected for that year. Holders of first mortgages on units may require the submission of additional financial data of the condominium as is reasonably required by prudent mortgage loan management.

ARTICLE IX AMENDMENTS

Any unit owner or owners who desire that the Bylaws be amended may propose amendments to the Board. A majority of the members of the Board may cause a proposed amendment to be submitted to the members of the association for their consideration. If an amendment is proposed by owners of twenty percent (20%) or more of the units in the condominium, then irrespective of whether the Board concurs in the proposed amendment it shall be submitted to the members of the association for their consideration at their next regular or special meeting for which timely notice may be given. Notice of a meeting at which an amendment is to be considered shall include the text of the proposed amendment. Amendments may be adopted at a meeting of the association or be written consent of the requisite number of persons entitled to vote, after notice has been given to all persons entitled to receive notice of a meeting of the association. The unanimous vote of all unit owners shall be required for adoption of either an amendment altering the value interest in the common areas and facilities, or an amendment of this Article X.

Adopted by the undersigned Declarants pursuant to Section 8.4 of the Declaration of Condominium.

Exhibit A to
PUBLIC OFFERING STATEMENT

Proposed Budget
Ashberry Lane, A Condominium

ASSESSMENT INCOME

12 Units @ \$155.00 per month per unit	\$22,320.00
6 Units @ \$160.00 per month per unit*	\$11,880.00
TOTAL INCOME	\$34,200.00

Expenses:

Administration	
Management	\$ 5,400.00
License/Fees	\$ 50.00
Bank Fees	\$ 50.00
Insurance	\$ 6,100.00
Maintenance	
Building	
gutter	\$ 375.00
windows	\$ 525.00
annual inspections	\$ 400.00
alarm line	\$ 180.00
monitoring	\$ 550.00
lights/misc	\$ 200.00
Landscaping	
Contract	\$ 2,500.00
backflow	\$ 170.00
winterize/de-winterize	\$ 250.00
project	\$ 250.00
Misc.	\$ 200.00
Utilities	
Disposal	\$ 2,000.00
Electricity	\$ 1,000.00
Water/Sewer	\$ 5,500.00
Fire Suppression	\$ 720.00
Reserve Transfers	\$ 8,500.00

TOTAL EXPENSES	\$34,200.00
TOTAL INCOME	\$34,200.00
TOTAL EXPENSES	\$34,200.00
NET	\$0

No Assessments will be collected until control of the Association is turned over to the Association. Declarant will pay all expenses until that time.

*The back six units share equally in the fire suppression costs.

There are no rules at this time.

**Ashberry Lane HOA¶
House Rules can be found
starting on Page 103¶**

RECEIPT FOR PUBLIC OFFERING STATEMENT

Ashberry Lane, A Condominium Declaration

In connection with the purchase of Unit _____ in Ashberry Lane, A Condominium, the undersigned Purchaser(s) hereby acknowledge receipt, and the undersigned Selling Agent hereby certifies delivery, of the following (all of which are collectively referred to herein as the "POS"):

<u>DATE OF RECEIPT</u>	<u>PURCHASER'S INITIALS</u>	<input type="checkbox"/> DESCRIPTION OF DOCUMENT
_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/> Public Offering Statement
_____	_____	<input type="checkbox"/> Declaration
_____	_____	<input type="checkbox"/> Survey Map & Plans
_____	_____	<input type="checkbox"/> Articles of Incorporation
_____	_____	<input type="checkbox"/> Association Bylaws
_____	_____	<input type="checkbox"/> Proposed Budget
_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>

Purchaser and Selling Agent further acknowledge that Selling Agent neither has authority to make, nor has made, any representations or promises on behalf of the seller.

Purchaser:

(_____, husband) Date: _____

(_____, wife) Date: _____

Selling Agent:

by _____ Date: _____

INSTRUCTION TO SELLING AGENT

Upon delivery of the POS to the Purchaser, the above acknowledgment must be: fully completed; signed by the Purchaser and Selling Agent; and returned to Listing Agent.

LEGAL DESCRIPTION

PARCEL A
LOT 15 AND THE NORTH 148 FEET OF LOT 16 OF AURORA HOMESITES, ACCORDING TO PLAT
RECORDED IN VOLUME 13 OF PLATS AT PAGE(S) 92, IN SNOHOMISH COUNTY, WASHINGTON;

PARCEL B
LOT 16 OF AURORA HOMESITES, ACCORDING TO PLAT RECORDED IN VOLUME 13 OF PLATS AT
PAGE(S) 92, IN SNOHOMISH COUNTY, WASHINGTON;
EXCEPT THE NORTH 148 FEET.

DEDICATION

KNOW ALL MEN BY THESE PRESENTS, THAT I, THE UNDERSIGNED OWNER IN FEE SIMPLE OF
THE REAL PROPERTY DESCRIBED HEREIN, HEREBY DEDICATE THE REAL PROPERTY DESCRIBED
IN THIS SURVEY MAP AND THESE PLANS FOR CONDOMINIUM PURPOSES. THE DRIVES, WALKS,
STREETS, GROUNDS AND OTHER AREAS DESCRIBED HEREIN ARE NOT DEDICATED TO THE
PUBLIC, BUT ARE PRESERVED FOR THE EXCLUSIVE USE AND BENEFIT OF THE UNIT OWNERS,
AS PART OF THE COMMON ELEMENTS, TO THE EXTENT AND IN THE MANNER SET FORTH IN THE
DECLARATION. I, THE UNDERSIGNED, OWNER OF THE PROPERTY HEREBY CERTIFY THAT ALL
STRUCTURAL COMPONENTS AND MECHANICAL SYSTEMS OF ALL BUILDINGS CONTAINING OR
COMPRISING UNITS HEREBY CREATED ARE SUBSTANTIALLY COMPLETED. THE SURVEY MAP AND
THESE PLANS OR ANY PORTION THEREOF SHALL BE RESTRICTED BY THE TERMS OF THE
DECLARATION FILED THE 12 DAY OF MARCH, 2002, RECORDS OF SNOHOMISH
COUNTY, WASHINGTON, UNDER RECORDING NO. 200203125007. IN WITNESS THEREOF
WE HAVE SET OUR HAND AND SEAL.

By: GOODNIGHT BROTHERS CONSTRUCTION, INC., a Washington corporation

By: BRIAN GOODNIGHT

Its: PRESIDENT

ACKNOWLEDGEMENTS

State of Washington)
County of Snohomish)

I certify that I know or have satisfactory evidence that BRIAN GOODNIGHT signed
this instrument, on oath stated that he was authorized to execute the instrument
and acknowledged it as PRESIDENT of GOODNIGHT BROTHERS CONSTRUCTION, INC., a
Washington Corporation, to be the free and voluntary act of such party for the
uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this 4 day of March, 2002.



PRINT NAME JEANNIE M. CALLAHAN
NOTARY PUBLIC in and for the
State of Washington, residing
at Edmonds

Commission Expires July 5, 2004

LAND SURVEYORS'S CERTIFICATE

I HEREBY CERTIFY THAT THESE PLANS FOR ASHBERRY LANE, A
CONDOMINIUM, ARE BASED UPON AN ACTUAL SURVEY OF THE PROPERTY
DESCRIBED HEREIN AND THAT THE COURSES AND DISTANCES ARE SHOWN
ACCURATELY THEREON AND THAT THESE PLANS ACCURATELY DEPICT THE
LOCATION AND DIMENSIONS OF THE UNITS AS SUBSTANTIALLY COMPLETE.
THESE PLANS ARE PER THE BASIC REQUIREMENTS PURSUANT TO RCW
64.34.232.

EDWARD J. CALLAHAN
PROFESSIONAL LAND SURVEYOR
CERTIFICATE NO. 18077



LAND SURVEYOR'S VERIFICATION

State of Washington)
County of Chelan

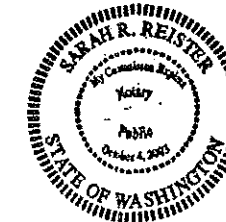
Edward J. Callahan, being first on oath duly sworn, states that
he is the registered professional land surveyor signing the above
certificate, that he has examined these plans and survey map, and
believes the certificate to be a true statement.

Edward J. Callahan
Registered Professional Land Surveyor
Certificate No. 18077

Subscribed and sworn to before me on this 25th day of
February, 20 02.

Edward J. Callahan
Sarah R. Reister
Notary's Name:
Notary Public in and for the
State of Washington, residing at
Leavenworth, WA

My appointment expires 10-4-03



RECORDING CERTIFICATE

Filed for record at the request of CHICAGO TITLE
this 12th day of MARCH, 20 02, at 41 minutes
past 12 o'clock and recorded in Volume _____ of
Condominiums, Pages _____ to _____ records of Snohomish County,
Washington.

BOB TERWILLIGER

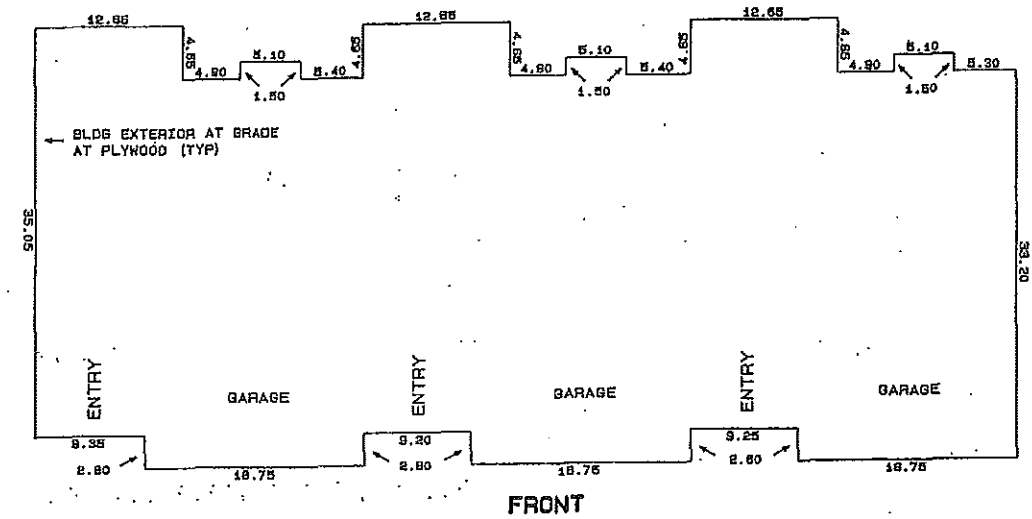
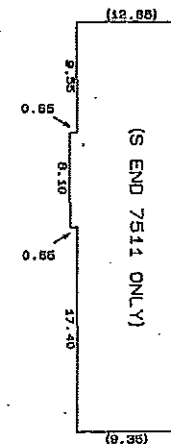
Jimell Sorman

C & C SURVEYING

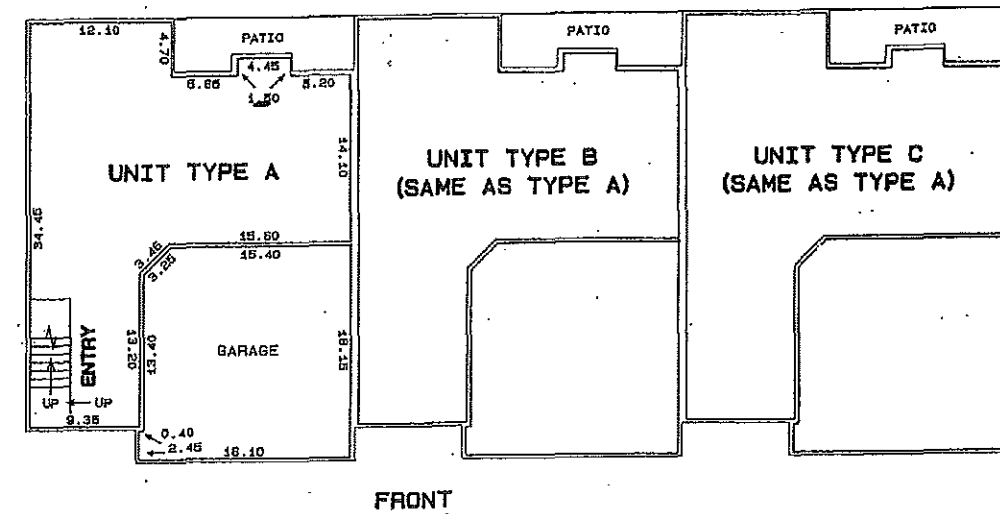
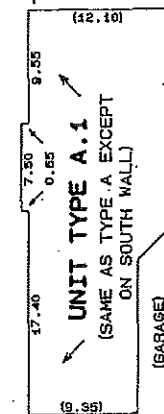
4509 243rd Place S.W. Mountlake Terrace, WA 98043
(425)673-7502 (206)523-1654

200203125007

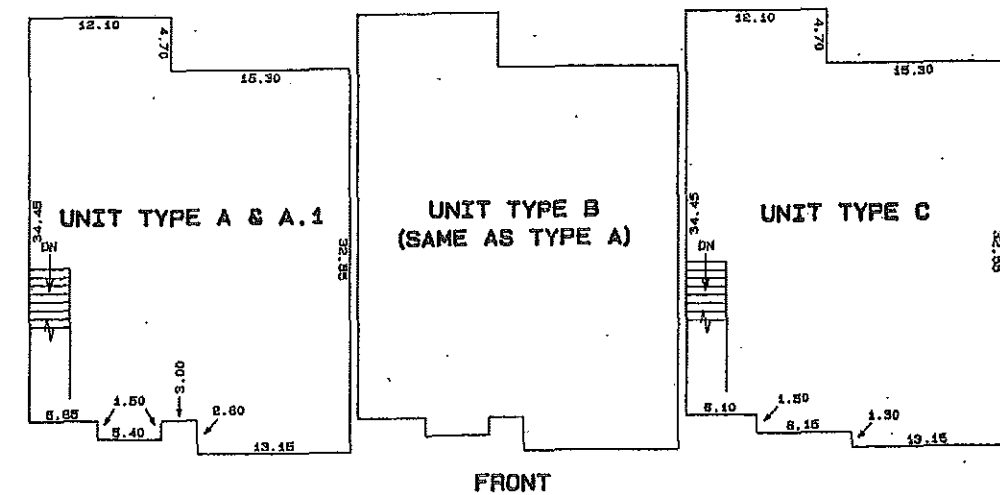
BUILDING EXTERIOR (NO SCALE)



MAIN FLOOR PLANS (NO SCALE)



UPPER FLOOR PLANS (NO SCALE)



200203125007

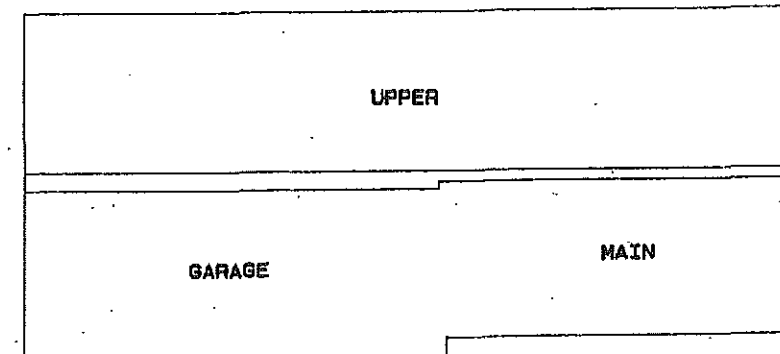
710102

ASHBERRY LANE
A CONDOMINIUM
SW 1/4, SW 1/4, SEC. 20, TWN. 27N, RGE. 4E, W.M.
EDMONDS, WASHINGTON

SHT 3 OF 3

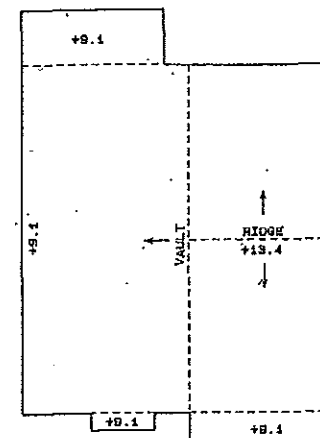
CEILING VARIES IN 7501 & 7507 BUILDINGS, SEE BELOW

UNIT	TYPE	LEVEL	AREA	FLOOR/CEILING
7511 / 1	A.1	Garage	319.6	103.51/112.41
		Main	604.1	104.04/112.64
		Upper	916.9	113.49/122.89
7511 / 2	B	Garage	319.6	104.01/112.91
		Main	599.2	104.54/113.14
		Upper	916.9	113.99/123.09
7511 / 3	C	Garage	319.6	104.51/113.41
		Main	599.2	108.05/113.65
		Upper	921.1	114.50/123.60
7509 / 4	A	Garage	319.6	105.55/114.45
		Main	598.2	106.11/114.71
		Upper	916.9	115.66/124.66
7509 / 5	B	Garage	319.6	106.07/114.97
		Main	598.2	106.61/115.21
		Upper	916.9	116.06/125.16
7509 / 6	C	Garage	319.6	106.55/115.45
		Main	598.2	107.10/115.70
		Upper	921.1	118.56/125.65
7507 / 7	A	Garage	319.6	107.56/116.46
		Main	599.2	108.09/116.69
		Upper	916.9	117.54/VARIES
7507 / 8	B	Garage	319.6	108.08/116.98
		Main	599.2	108.57/117.17
		Upper	916.9	118.02/VARIES
7507 / 9	C	Garage	319.6	108.58/117.48
		Main	599.2	109.10/117.70
		Upper	921.1	118.55/VARIES
7506 / 10	A	Garage	319.6	103.52/112.42
		Main	599.2	104.05/112.65
		Upper	916.9	113.50/122.60
7506 / 11	B	Garage	319.6	104.02/112.92
		Main	599.2	104.55/113.15
		Upper	916.9	114.00/123.10
7506 / 12	C	Garage	319.6	104.53/113.43
		Main	599.2	105.04/113.64
		Upper	921.1	114.49/123.69
7503 / 13	A	Garage	319.6	105.50/114.40
		Main	599.2	106.04/114.64
		Upper	916.9	115.49/124.69
7503 / 14	B	Garage	319.6	106.01/114.91
		Main	599.2	106.53/115.13
		Upper	916.9	115.98/125.08
7503 / 15	C	Garage	319.6	106.48/115.38
		Main	599.2	107.02/115.62
		Upper	921.1	116.47/125.57
7501 / 16	A	Garage	319.6	107.48/116.38
		Main	599.2	108.01/116.61
		Upper	916.9	117.46/VARIES
7501 / 17	B	Garage	319.6	107.99/116.89
		Main	598.2	108.55/117.15
		Upper	916.9	118.00/VARIES
7501 / 18	C	Garage	319.6	108.52/117.42
		Main	599.2	109.04/117.64
		Upper	921.1	118.49/VARIES

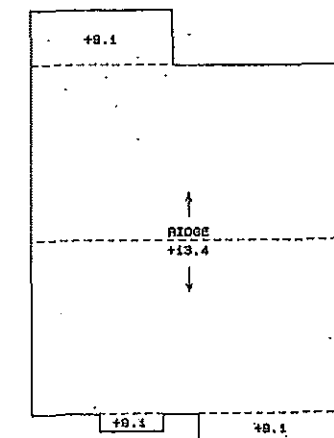


TYPICAL ELEVATION (NO SCALE)

7501 / 16

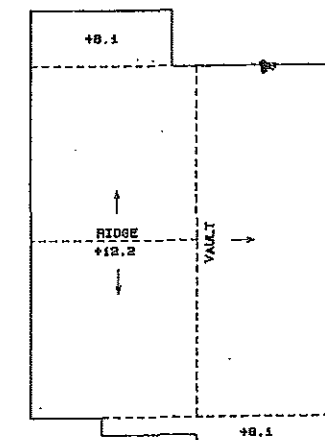


7507 / 7
7507 / 8
7501 / 17



NOTE: DASHED LINES MARKED BY PLUS SIGNS (+) INDICATE MEASURE UP FROM FLOOR TO GABLE OR RIDGE CEILING AT LOCATION SHOWN. ALL OTHER ELEVATIONS ARE PER TABLE.

7507 / 9
7501 / 18

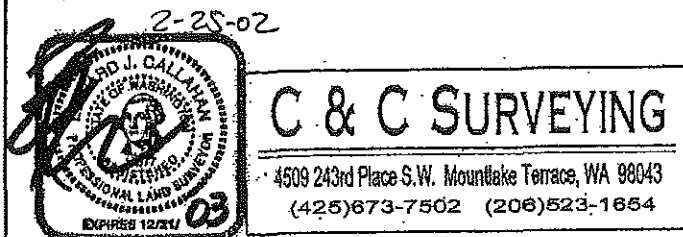


NOTE: THE ABOVE DATA IS BASED ON INFORMATION AVAILABLE AS OF THE DATE OF DECLARANT'S EXECUTION HEREOF; IS SUBJECT TO CHANGE WITHOUT FURTHER NOTICE; AND DOES NOT CONSTITUTE COVENANTS, CONDITIONS, RESTRICTIONS, WARRANTIES OR GUARANTEES CONCERNING USE, DESIGN VALUE OR OTHERWISE.

ALL LAND DESCRIBED HEREIN IS SUBJECT TO DEVELOPMENT RIGHTS SET FORTH IN THE DECLARATION.

NOTES:

1. ALL UNIT DIMENSIONS ARE TO THE SURFACES OF THE WALL STUDS AND ARE SHOWN TO THE NEAREST .05 FEET.
2. ALL FLOOR ELEVATIONS ARE ON THE TOP SURFACES OF FLOOR AND ALL CEILING ELEVATIONS ARE TO THE UNDERSIDE OF THE CEILING JOISTS. ALL ELEVATIONS ARE SHOWN WITHIN 0.05 FEET.
3. PATIOS AND YARDS ARE LIMITED COMMON ELEMENTS (L.C.E.)
4. UNIT NUMBERS ARE SHOWN THUS: 7511 / 1
5. TOTAL UNIT AREA IS IN SQ. FEET INCLUDING SEPARATION WALLS.



200203125007

7401CS

200404070657.001

After recording return to

Randy M Boyer
Attorney at Law
Suite 202, 7009 212th St S W
Edmonds, WA 98026


200404070657 6 PGS
04-07-2004 04:00pm \$24.00
SNOHOMISH COUNTY, WASHINGTON

Document Title: Amendment to Declaration of Condominium**Reference Number(s) of Document amended:** 200203120766**Grantor(s) (Last name first, then first name and initials:** Ashberry Lane, A Condominium**Grantee(s) (Last name first, then first name and initials:** Public and Ashberry Lane, A Condominium**Legal Description****(abbreviated: i.e., lot, block, plat or section, township, range):**

Ashberry Lane Condominium, AFN 200203120766

Assessor's Property Tax Parcel/Account Number(s): N/A

**AMENDMENT TO
DECLARATION OF CONDOMINIUM OF
ASHBERRY LANE, A CONDOMINIUM**

WHEREAS, a certain Declaration submitting real estate to the Horizontal Property Regimes Act (Condominiums) of the State of Washington entitled DECLARATION OF CONDOMINIUM OF ASHBERRY LANE, A CONDOMINIUM, was recorded on March 12th, 2002 under Recording No 200203120766, in the records of Snohomish County, State of Washington, together with the Survey Map and Plans recorded on March 12th, 2002, under Recording No 200203125007, in records of Snohomish County, State of Washington,

WHEREAS, pursuant to Article 18 of the Declaration, at a meeting duly called and held on the second day of December 2003, at which a quorum was present, after not less than ten (10) days prior notice to all of the Owners entitled to vote thereon duly given, not less than Sixty Seven Percent (67%) of the Apartment Owners, present in person or by proxy, have voted to amend the Declaration as hereinafter set forth,

NOW THEREFORE, the President and the Secretary of Ashberry Lane Association of Apartment Owners certify the Declaration of Condominium to have been amended in the following particulars

B. Deleting Section 7.2 and replacing it with a new Section 7.2 to read as follows:

Section 7 2 - Rental and Conveyance of Units.

200404070657.002

A Rental Defined and Regulated The Rental of a Unit shall be governed by the provisions of the Declaration, including, without limitation, this Section. As used in the Declaration the terms "to rent", "renting", or "rental" shall refer to and include the leasing or renting of a Unit by its Owner and to the occupancy of a Unit solely by a person or persons other than its Owner, whether or not rent is paid. The rights of the Association and the obligations applicable to an Owner under Section 7.2 shall be applicable to any Tenant who subleases a Unit or enters into an assignment of a Lease for a Unit, and the obligations of a Tenant shall likewise be applicable to the sub-Tenant or assignee of a Tenant in such a situation.

B Minimum Lease Term Required No Unit Owners shall be permitted to Rent or Lease less than the entire Unit or to Rent or otherwise permit his or her Unit to be used for hotel or transient purposes, which shall be defined as Rental, occupancy or use by a Tenant or other non-Owner Occupant for an initial occupancy period of less than twelve (12) months. No Owner or Tenant who does not occupy a Unit as a primary residence shall cause or allow the overnight accommodation of employees or business invitees in a Unit on a temporary or transient basis. Every Lease shall be for a fixed initial term of not less than twelve (12) months, but may be renewed on a month to month basis thereafter.

C Minimum Period of Owner Occupancy Required It is the intent of the Owners that the Units shall hereafter be acquired for occupancy by their Owners and occupied consistent therewith. In order to discourage the acquisition of Units in the Condominium for investment or rental purposes, no Owner shall be permitted to rent or lease his or her Unit during the one (1) year period after he or she shall have acquired title thereto except as provided in Paragraph K. If a person or persons acquires a Unit through inheritance, that person or persons shall be deemed to have owned and occupied that Unit during the period which their decedent owned and occupied the Unit.

D Lease Requirements No Rental of a Unit shall be valid or enforceable unless it shall be by means of a written instrument or agreement between the Owner(s) and the Tenant(s) (referred to in the Declaration as a "Lease"). No Lease entered into after the date of recording of this Amendment shall be valid unless it bears the written approval by the Association granted prior to the occupancy of the Tenant. The occupancy of a Unit in the Condominium and every Lease shall be subject to the Governing Documents of the Association. By entering into occupancy of a Unit, a Tenant agrees to be bound by the Governing Documents. The Association shall have and may exercise the same rights of enforcement and remedies for breach of the Governing Documents against a Tenant as it has against an Owner. Each Lease shall contain language acknowledging the Association's rights and the Tenant's obligations under the Governing Documents.

E Lease Approval Except as provided in Paragraph H prior to the Rental of a Unit in the Condominium to a Tenant, and prior to the renewal of any previously approved Lease, a Unit Owner shall submit to the Association a valid and binding Lease, executed by both the Owner and the proposed Tenant, and contingent only on the approval of the Association, together with a request for the written consent of the Association. The Association shall, as expeditiously as practical but in any event within seven (7) days of receipt of such request, grant its consent to the Owner if

- 1 the Owner has complied with Section 7.2 of the Declaration,
- 2 in the case of a renewal, the Tenant is in strict compliance with all provisions of the Governing Documents, and has not been found to be in violation of the Governing Documents.

200404070657.003

following notice and opportunity to be heard more than once during the immediately preceding year,

3 the Lease contains a Lease Addendum in the form approved by the Association or is otherwise in compliance with the requirements of the Declaration,

4 the Rental would not cause the aggregate number of all non-Owner occupied Units to exceed the Rental Ceiling specified in Paragraph F, below, provided, however, that

4(a) the Association shall not withhold consent for an Owner and a Tenant to renew a Pre-Existing Lease meeting the requirements of Paragraph H merely because the number of non-Owner occupied Units is equal to or greater than the Rental Ceiling, provided, however, that the sale or transfer of ownership of a Unit by a Owner shall terminate the right to renew a Pre-Existing Lease under this Sub-Paragraph, or re-let the premises

4(b) the Association shall not withhold consent for an Owner and a Tenant to renew a Lease which has previously been approved in the manner provided in this Paragraph E merely because the number of non-Owner occupied Units is equal to or greater than the Rental Ceiling, provided, however, that the sale or transfer of ownership of a Unit by an Owner shall terminate the right to renew a previously approved lease under this Sub-Paragraph,

4(c) the Association shall not withhold consent for a Mortgagee in possession of a unit following a default in its Mortgage or a Mortgage Foreclosure, or from a successor in interest to such Mortgagee, where such Mortgagee or a purchaser at a foreclosure sale first obtains possession subsequent to the date of recording of this Amendment, to rent a Unit merely because the Rental would cause the number of non-Owner occupied Units to exceed the Rental Ceiling,

4(d) the Association may grant a hardship exception as provided in Sub-Paragraph K notwithstanding the fact that it would temporarily cause the number of the non-Owner occupied Units to exceed the Rental Ceiling until the next Rental vacancy occurs

F Rental Ceiling Set Except as provided in Paragraphs H and K, the maximum number of non-Owner occupied Units in the Condominium at any one time shall not exceed Two (2) (referred to in the Declaration as the "Rental Ceiling")

G Effect of Rental Ceiling If an Owner wishes to rent a Unit but is prohibited from doing so because of the Rental Ceiling, the Association shall place the Owner's name on the Rental Waiting List provided for in Paragraph J

H Pre-existing Leases Within thirty (30) days from the date of notification to all Owners that this Amendment to the Declaration has been adopted by the necessary percentage of Owners, each Owner who has rented a Unit to a Tenant who was in occupancy prior to the date on which this Declaration Amendment was approved by the Owners shall file a copy of the Lease for that Unit with the Association. A Lease in effect on that date and submitted as required in this Paragraph shall be referred to as a "Pre-existing Lease". Any Owner of a Unit with a Pre-existing Lease shall be permitted to renew his or her Lease thereafter, and to re-let the Unit to others. Provided that upon sale or transfer of ownership the exemption shall terminate and the Unit shall thereafter comply with this Article XV

200404070657.004

I Limitations on Consent No consent to the Rental of a Unit shall be granted more than sixty (60) days prior to the beginning of the Lease term for which consent is sought. Any consent granted by the Association shall automatically expire and terminate unless the Units shall be occupied by the Tenant within thirty (30) days of the beginning of the term of the approved Lease.

J Rental Waiting List Except as provided in Section E (and except for pre-existing leases which shall not be subject to this section), if a Rental Waiting List exists, no Lease or Lease renewal shall be approved for an already rented Unit until all owners who have previously applied for the approval of a Lease have been given the opportunity to rent their Units. Each Owner who has rented his or her Unit shall promptly give notice to the Association of any expiration and non-renewal or other termination of a Lease. An Owner whose Lease has expired and not vacated and available for Rental within the next thirty (30) days, shall give notice of that expiration and learns of those circumstances. That Owner may, at the later of the time of notice to the Association or sixty (60) days prior to the scheduled expiration and non-renewal or other termination of a Lease on the Unit, have his or her name placed on the Rental Waiting List. Within ten (10) days of receipt of such notice, or not more than sixty (60) days prior to the scheduled expiration and non-renewal or other termination of a Lease on another Unit, whichever is later, the Association shall notify the Owner in the next available position on the Rental Waiting List of the opportunity to apply for consent to a Lease. That opportunity to rent shall be available to that Owner for a period of sixty (60) days from the date of that notice. If no request for approval to Lease is submitted during that period, that Owner's name shall be placed at the bottom of the Rental Waiting List, and the opportunity to rent shall be offered to the next highest person on the Rental Waiting List.

K Hardship Exception Where, on written application from a resident Owner, the Board determines that a hardship exists whereby that Owner would suffer serious harm by virtue of the limitation on renting contained in Paragraph C or Sub-Paragraph E(4), and where the Board further determines that a variance from the policies contained therein is fairly in keeping with the purpose of this Sub-section to limit investor ownership of Units and would not detrimentally affect the other Owners or the approval of the Condominium for secondary mortgage market financing, lender approval or VA or FHA approval, the Board may, in its discretion, grant an owner a waiver of the Rental Ceiling for a temporary period not to exceed six (6) months. In the discretion of the Board this hardship exception may be extended on written application of an Owner for one (1) additional period not to exceed six (6) months for good cause shown. A Unit rented under a hardship exception granted by the Board under this Paragraph shall not be counted as a non-Owner occupied Unit for the purpose of determining whether a rental would cause the number of non-Owner occupied Units to exceed the Rental Ceiling. No more than two hardship exceptions may be allowed at the same time by the Board. Hardship exceptions shall be granted sparingly.

L Rental Processing Fees The Board shall be authorized from time to time to establish and charge reasonable fees in connection with the rental of Units, the maintaining of Tenant information and the rental waiting list, and the screening of Tenants to defray the added administrative costs of such activities. Such fees shall be collectable as a special Assessment against the Unit and its Owner.

M Governing Documents to Be Provided to Tenants Each Unit Owner who Rents or Leases a Unit in the Condominium to a Tenant or allows the occupancy of a Unit by a Related Party shall provide that Tenant or Related Party with a copy of the Declaration and Rules. If the Unit Owner fails to provide written evidence to the Association that it has done so, the Association may furnish a copy of these documents to the Tenant or Related Party and charge the Owner an amount to be determined by the Board for each document provided. Unless otherwise set by the Board, the copying

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charge shall be twenty five cents (\$ 25) for each page The copying charge shall be collectable as a special Assessment against the Unit and its Owner

N Non-Discrimination Neither the Association nor any Unit Owner shall discriminate against any person with regard to the sale, rental or occupancy of a Unit in the Condominium on the basis of race, color, creed, national origin, age, sex, sexual orientation, religion, familial status, marital status, parental status, political ideology, handicap, possession or use of a Sub-section 8 rent certificate, or any other legally protected classification

O Notice of Conveyance Required By Owner

1 The right of a Unit Owner to sell, transfer, or otherwise convey the Unit shall not be subject to any right of approval, disapproval, first refusal, or similar restriction by the Association or the Board, or anyone acting on their behalf

2 An Owner intending to sell a Unit shall deliver a written notice to the Board, at least two (2) weeks before closing, specifying the Unit being sold, the name and address of the purchaser, of the closing agent, and of the title insurance company insuring the purchaser's interest, and the estimated closing date The Board shall have the right to notify the purchaser, the title insurance company, and the closing agent of the amount of unpaid Assessments and charges outstanding against the Unit, whether or not that information is requested A violation of this Paragraph shall not invalidate a sale, transfer or other conveyance of a Unit which is otherwise valid under applicable law

3 Any Owner who sells, transfers or otherwise voluntarily conveys his or her interest in a Unit shall notify the Board in writing of the name and address of the new Owner An Owner shall remain jointly and severally liable with the new Owner for any Assessments which come due after the transfer of interest and before the notice required in this Paragraph has been given, without prejudice to the grantor's right to recover from the grantee the amounts paid by the grantor for Assessments coming due after the date of transfer

200404070657.006

CERTIFICATE OF ADOPTION

The undersigned president and secretary of Ashberry Lane, A Condominium certify that the foregoing Amendment to Declaration was adopted pursuant to Article 18 of the Declaration, at a meeting duly called and held on the 02 day of December, 2003 at which a quorum was present, after not less than ten (10) days prior notice to all of the Owners entitled to vote thereon duly given, not less than Sixty Seven (67%) of the Apartment Owners for the purpose of amending the Declaration of Condominium

DATED this 9 day of Dec 2063

ASHBERRY LANE, A CONDOMINIUM

By Aimee Bowles
President

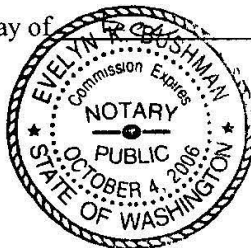
ATTEST The above amendment
was properly adopted


By: Richard W. Towlen
Secretary

STATE OF WASHINGTON }
COUNTY OF SNOHOMISH } ss

On this 4th day of Dec, 2003, personally appeared before me, Arnon Bowling
_____ and Richard Bowling to me known to be the President and Secretary of
 ASHBERRY LANE, A CONDOMINIUM, the unincorporated association that executed the
 within and foregoing instrument, and acknowledged the instrument to be the free and voluntary
 act and deed of the Association, for the uses and purposes therein mentioned, and on oath stated
 that they were authorized to execute the instrument

DATED this 4th day of April, 2003




Print Name EVELYN BUSHMAN
Notary Public in and for the State of
Washington, residing at EDMONDS WA
My commission expires 10/4/01

After recording return to:

Randy M. Boyer
Attorney at Law
7017 196th St. S.W.
Lynnwood, WA 98036

Document Title: Amendment to Declaration of Condominium

Reference Number(s) of Document amended: 200203120766, 200404070657

Grantor(s) (Last name first, then first name and initials: Ashberry Lane, A Condominium

Grantee(s) (Last name first, then first name and initials: Public and Ashberry Lane, A Condominium
Owners Association

Legal Description (abbreviated: i.e., lot, block, plat or section, township, range):

Ashberry Lane, A Condo, Decl rec. under AFN 200203120766 & Amendments hereto, Survey
Map & Plans rec. under AFN 2002325007, Situate in Snohomish County, Washington.

Assessor's Property Tax Parcel/Account Number(s): 00934251100100; 00934251100200;
00934251100300; 00934250900400; 00934250900500; 00934250900600; 00934250700700;
00934250700800; 00934250700900; 00934250501000; 00934250501100; 00934250501200;
00934250301300; 00934250301400; 00934250301500; 00934250101600; 00934250101700;
00934250101800

AMENDMENT TO
DECLARATION OF CONDOMINIUM
OF ASHBERRY LANE

WHEREAS, the Declaration of Condominium for Ashberry Lane, A Residential Condominium was recorded on March 12th, 2002 under Recording No. 200203120766, in the records of Snohomish County, State of Washington, together with the Survey Map and Plans recorded on March 12th, 2002, under Recording No. 200203125007, in records of Snohomish County, State of Washington and amended by document recorded under Snohomish County Recording Number 20040407057.

WHEREAS, pursuant to Section 18 of the Declaration, at a meeting duly called and held at which a quorum was present, after not less than ten (10) days prior notice to all of the Owners entitled to vote thereon duly given, not less than Sixty Seven Percent (67%) of the Owners, present in person or by proxy, have voted to amend the Declaration as hereinafter set forth;

NOW THEREFORE, the President and the Secretary of Ashberry Lane, A Condominium Owner's Association certify the Declaration of Condominium to have been amended in the

following particulars:

a.) Section 4.3.3 is deleted and replaced with the following Section 4.3.3 the Declaration of Condominium:

4.3.3 Limited Common Elements are reserved for the exclusive use of the Units to which they are adjacent or assigned and such Limited Common Elements are appurtenant to the Unit. The Unit Owners of the Unit to which the Limited Common Element is attached shall maintain the Limited Common Element at their own expense subject to such Rules and Regulations as are adopted by the Association. The patio within the Limited Common Elements shall be the sole responsibility of the Unit Owner, including the cost of maintenance, repair and replacement of the same. The Association shall maintain as a Common Expense the patio fence in each Unit.

b.) Section 7.2 (B) is deleted and replaced with the following Section 7.2 (B) the Declaration of Condominium:

B. Minimum Lease Term Required. No Unit Owners shall be permitted to Rent or Lease less than the entire Unit or to Rent or otherwise permit his or her Unit to be used for hotel or transient purposes, which shall be defined as Rental, occupancy or use by a Tenant or other non-Owner Occupant for an initial occupancy period of less than twelve (12) months and no more than twenty four (24) months. A lease term may be extended only with the prior approval of the Association's Board. Such Board approval must be requested in writing at least three (3) months in advance of the expiry of the current lease. A unit being rented must be managed by an individual who resides no less than 6 months of the year in the State of Washington. Any such manager who is not also the homeowner must have written authorization assigning such management responsibility that is signed by the homeowner and filed with the Association Board, before a lease may be approved. No Owner or Tenant who does not occupy a Unit as a primary residence shall cause or allow the overnight accommodation of employees or business invitees in a Unit on a temporary or transient basis. Every Lease shall be for a fixed initial term of not less than twelve (12) months, but may be renewed on a month to month basis thereafter.

c.) Section 8.6.3 is deleted and replaced with the following Section 8.6.3 the Declaration of Condominium:

8.6.3 Notice of Meetings. Not less than ten nor more that sixty days in advance of any meeting, the secretary or other officer specified in the Bylaws shall cause notice to be hand delivered or sent prepaid by first class United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner or via email to an email address designated in writing by the Unit Owner. The notice of any meeting shall state the time and place of the meeting and the items on the agenda to be voted on by the members, including the general nature of any proposed amendment to the Declaration or Bylaws, changes in the previously approved budget that result in a change in assessment obligations, and any proposal to remove a director or officer.

d.) A new Section 24 is added to the Declaration:

SECTION 24 – DISPUTE RESOLUTION

24.1 Policy - Mediation. The parties hope there will be no disputes arising out of their relationship. To that end, each commits to cooperate in good faith and to deal fairly in performing its duties under this Declaration in order to accomplish their mutual objectives and avoid disputes. But if a dispute arises, the parties agree to resolve all disputes by the following alternate dispute resolution process: (a) the parties will seek a fair and prompt negotiated resolution, but if this is not successful, (b) all disputes shall be resolved by binding arbitration, provided that during this process, (c) at the request of either party made not later than forty-five (45) days after the initial arbitration demand, the parties will attempt to resolve any dispute by nonbinding mediation (but without delaying the arbitration hearing date). The parties confirm that by agreeing to this alternate dispute resolution process, they intend to give up their right to have any dispute decided in court by a judge or jury.

24.2 Binding Arbitration. Any claim between or among any party subject to this Declaration (including without limitation, the Declarant, Association Board or officers, Unit Owners, or their employees or agents) arising out of or relating to this Declaration, a Unit or Units, the Condominium or the Association shall be determined by Arbitration in the county in which the Condominium is located commenced in accordance with RCW 7.04.060; provided, that the total award by a single arbitrator (as opposed to a majority of the arbitrators) shall not exceed \$50,000, including interest, attorneys' fees and costs. If any party demands a total award greater than \$50,000, there shall be three (3) neutral arbitrators. If the parties cannot agree on the identity of the arbitrator(s) within ten (10) days of the arbitration demand, the arbitrator(s) shall be selected by the administrator of the American Arbitration Association (AAA) office in Seattle from its Large, Complex Case Panel (or have similar professional credentials). Each arbitrator shall be an attorney with at least fifteen (15) years' experience in commercial or real estate law and shall reside in the county in which the Condominium is located. Whether a claim is covered by the Section shall be determined by the arbitrator(s). All statutes of limitations, which would otherwise be applicable, shall apply to any arbitration proceeding hereunder.

24.3 Hearing - Law - Appeal Limited. The arbitrator(s) shall take such steps as may be necessary to hold a private hearing within ninety (90) days of the initial demand for arbitration and to conclude the hearing within three (3) days; and the arbitrator(s) written decision shall be made not later than fourteen (14) calendar days after the hearing. The parties have included these time limits in order to expedite the proceeding, but they are not jurisdictional, and the arbitrator(s) may for good cause afford or permit reasonable extensions or delays, which shall not affect the validity of the award. The written decision shall contain a brief statement of the claim(s) determined and the award made on each claim. In making the decision and award, the arbitrator(s) shall apply applicable substantive law. Absent fraud, collusion or willful misconduct by an arbitrator, the award and decision shall be final, and the judgment may be entered in any court having

jurisdiction thereof. The arbitrator(s) may award injunctive relief or any other remedy available from a judge, including without limitation joinder of parties or consolidation of this arbitration with any other involving common issues of law or fact or which may promote judicial economy; but shall not have the power to award punitive or exemplary damages; or to award attorneys' fees and costs to the prevailing party. The decision and award of the arbitrator(s) need not be unanimous; rather, the decision and award of two arbitrators shall be final.

24.4 Unenforceability of Arbitration. If for any reason the arbitration procedure set forth above is determined to be unenforceable, then the arbitration shall be conducted in Snohomish County, Washington, pursuant to the Superior Court Mandatory Arbitration Rules ("MAR") without regard to the jurisdictional limits stated in RCW 7.06. The parties shall be deemed to have stipulated to arbitration as authorized by MAR 8.1(b). There shall be no substantive motions or discovery, except the arbitrator shall authorize such discovery as may be necessary to ensure a fair hearing. The hearing shall be held within 120 days of the demand for arbitration and concluded within two days unless the arbitrator determines that a longer period is necessary to ensure a fair hearing. These time limits are not jurisdictional. The arbitrator shall apply substantive law and may award injunctive relief or any other remedy available from a judge including attorney fees and costs to the prevailing party, but the arbitrator shall not have the power to award punitive damages.

The award of the arbitrator shall be binding and neither party shall have the right to appeal or the right to a trial de novo (in this regard, MAR 7.1 shall not apply). If, however, it is determined that binding arbitration is contrary to the Washington Condominium Act, then the decision rendered by the arbitrator shall be subject to appeal as provided in MAR 7.1, and the appealing party shall be subject to attorney's fees if it does not improve its position as provided in MAR 7.3.

24.5 Exception to Arbitration. The dispute resolution provisions shall not apply to actions by the Association in collecting assessments and/or enforcing the terms of the Declaration.

CERTIFICATE OF ADOPTION

The undersigned president and secretary of Ashberry Lane, A Condominium certify that the foregoing Amendment to Declaration was adopted pursuant to Article 18 of the Declaration, at a meeting duly called at which a quorum was present, after not less than ten (10) days prior notice to all of the Owners entitled to vote thereon duly given, not less than Sixty Seven Percent (67%) of the Unit Owners for the purpose of amending the Declaration of Condominium.

IN WITNESS WHEREOF, the undersigned have caused this Declaration to be executed
this 22 day of July, 2020.

Declarant.

ASHBERRY LANE, A CONDOMINIUM

By: [Signature]

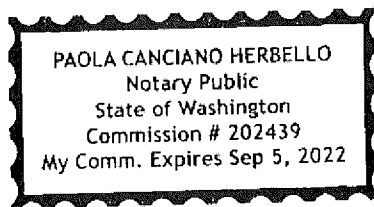
President

STATE OF WASHINGTON)

COUNTY OF ~~SNOHOMISH~~ ^{PCH}) King

On this 22nd day of July, 2020, personally appeared before me, A sen
Kucianov to me known to be the President of Ashberry Lane, A
Condominium, the corporation that executed the within and foregoing instrument, and
acknowledged the instrument to be the free and voluntary act and deed of the Association,
for the uses and purposes therein mentioned, and on oath stated that they were authorized
to execute the instrument.

DATED this 22nd day of July, 2020.



[Signature]
Print Name: Paola Canciano Herbello
Notary Public in and for the State of
Washington, residing at King County
My commission expires: 9/5/2022

ATTEST: The above amendment was properly adopted.

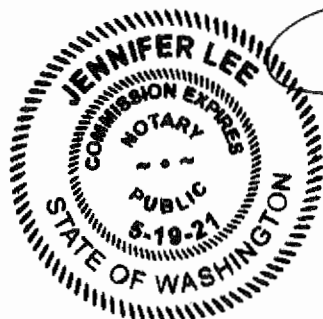
By: Virginia A. Davis
Secretary

STATE OF WASHINGTON)

COUNTY OF SNOHOMISH)

On this 24th day of July, 2020, personally appeared before me, Virginia A. Davis to me known to be the Secretary of Ashberry Lane, A Condominium, the corporation that executed the within and foregoing instrument, and acknowledged the instrument to be the free and voluntary act and deed of the Association, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the instrument.

DATED this 24th day of July, 2020.



Jennifer Lee
Print Name: Jennifer Lee
Notary Public in and for the State of
Washington, residing at CYNNWOOD
My commission expires: 5-19-21

**Ashberry Lane Condominium Association
7501, 7503, 7505, 7507, 7509, 7511- 210th St SW
Edmonds, WA 98026**

**BOARD RESOLUTION ON HOUSE RULES
Revised December 2022**

WHEREAS, the Board of Directors of Ashberry Lane Condominium Association is empowered to govern the affairs of the Association and to adopt and amend Rules and Regulations pursuant to Section 9 of the Declarations.

And there is a need to adopt specific rules for behavior and decorum on the premises. And it is the intent that these rules shall be applicable to all Owners, their tenants, guests and invitees, and this resolution shall remain in effect until otherwise rescinded, modified, or amended by a majority of the Board of Directors.

THEREFORE BE IT RESOLVED, that owners shall comply with all statutes, ordinance and requirement of all municipal, state and federal authorities now in force or which may hereafter be in force, pertaining to the use of the premises.

Noxious or offensive activity shall not be carried on in any condominium or common area, nor shall anything be done herein which may be or may become any annoyance or nuisance to the other residents. The board shall determine noxious or offensive activity.

Ashberry Lane residents are presumed to be reasonable and responsible homeowners who understand they have chosen to live in close proximity to others. If a homeowner is bothered by something involving a neighbor such as excessive noise (especially late at night), parking issues, etc., homeowners are expected to try to resolve the issue between themselves. If homeowners are unsuccessful in reaching an acceptable solution in an issue involving a potential violation of the HOA CC&Rs, By-Laws or House Rules, the Board may be asked to mediate, but all such requests must be submitted in writing.

BE IT FURTHER RESOLVED, that each owner shall:

- maintain their own patio and other limited common areas;**
- refrain from placing or keeping any refuse, garbage, trash of any kind on any on the Common Element outside the disposal facilities provided;**
- provide unit access to Association officers for emergency repairs or maintenance necessary to protect the common structure;**
- be responsible for the conduct of their tenants, licensees and guests;**
- be aware of where guests are parking so they don't block access;**
- be considerate when having parties on patios; and**
- understand that this condominium is restricted to residential use only.**

And shall be responsible for:

- the repair of any common or limited common areas damaged due to negligence or accident caused by the owner, their tenant, guest or licensee;
- floor coverings, appliances, switches, electrical outlets, exhaust fans, heating units, lighting fixtures, and plumbed fixtures such as sinks, toilets, hot water tanks, tubs, shower stalls and including traps and attaching pipes from floor to wall; and
- upkeep and/or replacement of all glass in windows and doors and all window screens and door screens.

The Association shall be responsible for:

- all plumbing, wiring or ducts in any walls up to the point of attachment to the unit
- all load bearing walls in the unit (limited common area) as well as all common structural elements other common systems and components as defined in the governing documents

BE IT FURTHER RESOLVED that the exterior appearance of the complex is regulated by the Association. This includes signs, window coverings, decorations, etc. which are visible from the common elements.

Owners will need the Board's written permission to: place or remove items in the common areas; or modify the exterior of the building or any area visible from the common area, including screens, doors, awnings, rails, fixtures, and other visible portions of each unit. Only 2 options are approved to be used on the front door as screen doors. Homeowners must contact a board member before purchasing and installing a screen door.

Provided the flag is not larger than 3' X 5', a US flag may be flown by homeowners on their limited common elements (each unit's back patio and front porch). All other flags are prohibited. One political sign, no larger than 2' X 2' may be exhibited by homeowners on a unit's limited common element.

All proposals for Board consideration must be typewritten with complete specifications, including size, color, cost and other pertinent information. Owners may not make changes which endanger the structural integrity of the building nor intrude into other areas of the building or which will result in the cancellation of insurance on any Unit or part of the Common or Limited Common Elements.

Limited common areas (each unit's back patio and front porch) may be landscaped as determined by the owner; however, access through the limited common area must be maintained.

Hot tub spas are permitted in the private patio areas of all units. Any owner intending to install a hot tub must notify the Board and provide proof of insurance liability coverage. Any necessary electrical modification must be accomplished by a licensed electrical contractor

and pass a state code inspection. Owners of units with hot tubs shall provide a current copy or the insurance declarations page upon installation of the hot tub, upon each renewal date of the policy and upon any change to the policy such as cancellation or change of ownership.

The Ashberry Lane Homeowners Association cannot be held liable for any activity related to persons using the spa or malfunction of the spa. Spa owners will assume full responsibility for all use of the spa including behavior of guests and maintenance of the equipment. They will ensure the spas are utilized with all due consideration for the adjoining unit residents and will comply with the general noise rules of the Association. They will also ensure the units are covered whenever they are not in use and will take other security measures as necessary when small children are in the immediate area. Any problems, damages, or fines incurred, as a result of the hot tub, are all at the individual owner's risk.

BE IT FURTHER RESOLVED that the following guidelines for behavior be adopted by all visitors and residents:

Quiet Hours

The HOA formally adopts into our House Rules the City of Edmonds Noise Abatement and Control ordinance Section 5.30.040, which specifies the maximum noise levels permitted during daylight hours and the reduced noise levels required between 10 pm and 7am weekdays, and 12 midnight to 7am Friday and Saturday nights. The ordinance can be found at <https://www.codepublishing.com/WA/Edmonds/html/Edmonds05/Edmonds0530.html>.

Common Area Use

Patios, walkways and porches are to be kept clean and free of debris. Common areas are not to be used for storage, play areas, recreational activities or group gatherings. Private property placed in the common areas may be removed. Access to common areas, walkways, driveways and the street are not to be blocked by motor vehicles or any other object. Access to and use of the roof areas is limited to association approved repair or maintenance activity by licensed contractors.

Parking

Except as permitted below, vehicles must not be parked on the pavement in front of any HOA unit but should be parked in the homeowner's garage or on the public street. Vehicle repairs are not permitted on the pavement in front of HOA units and these parking restrictions also apply to motorcycles. A short drop off and pick up period is permitted in front of units, but homeowners who permit their vehicle or a guest's vehicle to be parked in front of their unit for more than 20 minutes may be deemed to be in violation of the HOA's Parking Rules.

Contractors

Contractors, service vendors, laborers, etc., who are employed by the homeowner and who leave a visible business card or note on their vehicle's windshield, are exempt from this time limit, but they must be available onsite to temporarily move their vehicle when requested. Contractors are limited to one vehicle in the Lane at a time per unit unless prior approval by the Board. Vehicles parked without a business card or note, and all vehicles parked outside a unit between 7 pm and 7 am, are deemed to be visitors to the unit and as such are subject to the 20-minute parking time limit. Exceptions to the above in special circumstances may be requested and granted by the HOA board.

Penalties

For the first parking violation, the homeowner will receive a violation notice from the HOA without any penalty being imposed. For a second violation within ninety (90) days of the first, the homeowner may be assessed a fine not to exceed \$20 for each extra hour or portion of an hour. For a third or subsequent violation within ninety (90) days of the first violation, the homeowner may be assessed a fine not to exceed \$30 for each extra hour or portion of an hour and the HOA Board may also have the vehicle towed with the expense to be charged to the homeowner. Violation notices must be in writing and may be appealed.

Pets

Pets are permitted in Ashberry Lane but pet policies are required to ensure the safety and appeal of our community. Small household pets are allowed, no other animals such as livestock, rabbits, or poultry are allowed in any unit or patio. Pets may not be kept or bred on HOA property for commercial purposes. All dogs outside a homeowner's unit or patio must be on a leash and homeowners are required to pick up after their pets and properly dispose of their waste. Homeowners are responsible for ensuring their dog's barking does not interfere with any other homeowner's right to the peaceful enjoyment of their unit or patio. Failure to control the animals inside or outside their unit may be considered a violation of these House Rules. Homeowners are accountable for the actions of their own pets as well as the actions of the pets of guests who visit their unit, and homeowners are required to indemnify the HOA and/or other residents for any loss or damage caused by their own or their visitor's pets.

Speed Limit

As there are pets and children living and visiting at Ashberry Lane, all owners, residents and visitors are reminded to be cautious and maintain a 5-mph speed limit at all times on the Ashberry Lane grounds.

Rentals

The CC&Rs impose rental limitations on Ashberry Lane units ensuring that a maximum of two units may be rented at any one time and that the minimum lease period must be 12 months. A homeowner wishing to rent their unit shall request approval from the Board before advertising the unit for lease.

Homeowners shall provide tenants with copies of all CC&Rs, By-Laws and House Rules. Before the tenant may move in, the HOA Board must first approve the lease along with a Lease Addendum prepared by the HOA that have both been signed by the homeowner and all tenants. Non-resident homeowners are responsible for always keeping the HOA Board aware of their whereabouts during the term of the lease, and for providing an email address and phone number to be used in case of emergency. For non-resident/out of state homeowners they must hire a Property Management company. The homeowner must also keep the HOA Board informed with up-to-date renter contact information during the term of the lease. A \$60 per year rental processing fee will be charged to any homeowner renting their unit to be paid up front when the lease is submitted for board approval.

Moving

All moves in and out of the building (including furniture and appliances) must be staged through the unit's front door or garage door. Access through the backyards patios must have the approval of any affected owners who shall be notified at least 48 hours in advance. Any damage to the building, plantings, fencing or property done by the owner, tenant or moving company will be charged to the owner.

Resale Certificate

When a homeowner lists their unit for sale, their real estate agent should send the blank resale certificate form to the treasurer to be completed. We have a \$250 fee to complete that form and to provide the CC & Rs, Declarations and Bylaws and amendments, a copy of the current Reserve Study, and current budget and meeting minutes for last Annual General Meeting. Additionally, we charge a \$50 Transfer fee. Payment for both comes from the escrow company at closing from seller's proceeds.

Garage Sales

Individual garage sales are not allowed unless prior specific approval has been granted by the HOA Board. The Board may also impose restrictions regarding signage, displays, and hours.

Enforcement/Due Process

All owners and residents of the Ashberry Lane Condominiums are bound by these rules summarized from the governing documents and approved by the Board of Directors. If a homeowner wishes to lodge a complaint, appeal a violation notice or fine, or request a hearing, they must do so in writing to the HOA Board. The Board will respond to offer an appeal hearing at which time the violating homeowner will be provided an opportunity to

present their side of the situation. Every reasonable effort must be made by the HOA Board to ensure those conducting the hearing, who need not necessarily be board members, are unbiased.

The Board may, from time to time, adopt, amend, or remove the house rules. Revised house rules will be furnished to each owner within 5 days of adoption. All or one of the house rules may be rescinded by a majority vote of the membership at any subsequent meetings of the Association.

ASHBERRY LANE CONDOMINIUM ASSOCIATION

c/o TLC Management

P.O. Box 25

Edmonds, WA 98020

Board Resolution on Collections

WHEREAS the Board of Directors of Ashberry Lane Condominium Owners Association is charged with the responsibility of collecting assessments for the common expenses from homeowners pursuant to Article 10.4 and Article 12 of the Declarations; and from time to time homeowners become delinquent in their payments of these assessments and fail to respond to the demands from the Board to bring their accounts current;

THEREFORE the Board deems it to be in the best interest of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interests of the Association to refer these accounts promptly to an attorney for collection so as to minimize the Association's loss of assessments revenue: and so

BE IT RESOLVED that pursuant to Article 12, Section 12.12 of the Declaration there is hereby levied against any assessment account which is not paid in full as of the 5th day of the month a late fee in the amount of twenty-five (25) dollars which the Manager is authorized and directed to charge to and collect from any delinquent homeowner; and

BE IT FURTHER RESOLVED that the Manager is directed to send any owner who is more than fifteen (15) days delinquent in the payment of regular assessments, special assessments, or other charges authorized by the Association's governing documents, a written notice of the late fee and a request for immediate payment; and

BE IT FURTHER RESOLVED that the Manager is directed to send to any homeowner who is more than one (1) month delinquent in the payment of these assessments a written notice that if the account is not paid in full within 15 days, it will be turned over to the Association's attorneys for collection and the homeowner will be liable for payment of all charges imposed by the Association's attorneys to cover fees and costs charged to the Association.

BE IT FURTHER RESOLVED that the Manager is directed to refer the account to the Association attorneys if the account remains delinquent for 45 days.

ASHBERRY LANE CONDOMINIUM ASSOCIATION

c/o TLC Management

P.O. Box 25

Edmonds, WA 98020

EMERGENCY PREPAREDNESS

Updated 9/1/05

WATER

Central water shut offs are located in the meter boxes located South of Unit 1.

Water shut off within the unit is located in the downstairs entryway closet.

City of Edmonds – 425/771.0230

ELECTRICAL

There are two house meters for exterior lighting.

South side of the 7503 building – the shut off cuts power to the driveway lights on the 7501, 7503, and 7505 buildings.

South side of the 7507 building – lower left hand meter – the shut off cuts power to the driveway lights on buildings 7507, 7509, and 7511.

Individual meters for each unit are marked with the unit number.

Meters for units 1, 2, 3, 4, 5, 6 are located between the buildings.

Meters for unit 7, 8, 9 are located on the south side of unit 7.

Meters for units 10, 11, 12, 13, 14, 15 are located between the buildings.

Meters for units 16, 17, 18 are located on the South side of Unit 16.

Snohomish County - PUD 425/783.1000

NATURAL GAS

Each unit has a separate gas shut off located at the meter.

Meters for units 1, 2, 3, 4, 5, 6 are located between the buildings.

Meters for unit 7, 8, 9 are located on the south side of unit 7.

Meters for units 10, 11, 12, 13, 14, 15 are located between the buildings.

Meters for units 16, 17, 18 are located on the South side of Unit 16.

Puget Sound Energy 1/888/225.5773

9-1-1

Call 9-1-1 for response by police or fire departments.

This is for both emergency and non-emergency contacts.

7501, 7503, 7505, 7507, 7509, 7511 - 210th Street SW, Edmonds, WA 98026

2012 Changes - WA Reserve Study Law & House Bill 1309

Effective January 1st, 2012 Condominiums will have expanded reporting standards required within Washington Reserve Study/account law. Homeowners Associations with “significant assets” will be required to perform and disclose Reserve Studies in a similar manner as condominium associations. You can view the changes (House Bill 1309) here:

<http://apps.leg.wa.gov/documents/billdocs/2011-12/Pdf/Bills/House%20Bills/1309.pdf>

The bill passed 98 – 1 in the House, 48 – 1 in the Senate and was signed into law by Governor Gregoire on April 29th, 2011.

New reporting & disclosure standards (paraphrased – see RCW 64.34.308):

In addition to disclosing within resale certificates and Public Offering Statements, the below specific information from the Reserve Study must be provided to all owners as part of the summary of the annual budget:

- Current budgeted reserve contribution rate, recommended contribution rate from the Reserve Study and the funding plan upon which it is based. Any additional regular or special assessments scheduled to be imposed, date they are due and the purpose of the assessment.
- Based on the most recent Reserve Study and other information, whether currently projected reserve account balances will be sufficient at the end of each year to meet the association’s projected obligation for major maintenance, repair or replacement of reserve components during the next thirty years.
- If reserve account balances are not projected to be sufficient, what additional assessments may be necessary to ensure sufficient funds.
- The estimated amount recommended in the reserve account(s) at the end of the current fiscal year based on the most recent Reserve Study, the projected actual account cash balance at the end of the current fiscal year and the Percent Funded at the date of the last Reserve Study.
- The estimated amount recommended in the reserve account based upon the most recent Reserve Study at the end of the next five budget years, the projected account cash balance in each of those years; and if the funding plan approved by the association is implemented, the projected reserve account(s) cash balance in each of the next five budget years and the percent funded for each of those years. This will require additional calculations from the reserve study provider or other if the association chooses a reserve contribution rate different than recommended within the study. All of the other requirements above can already be found in a Reserve Study prepared in accordance with National Reserve Study Standards.

Reserve Study Must Include (paraphrased – see RCW 64.34.380):

- A reserve component list, including: roofing, painting, paving, decks, siding, plumbing, windows, and any other reserve component that would cost more than one percent of the annual budget for major maintenance, repair or replacement. If any of these components is not included in the Reserve Study, the study should provide commentary explaining the basis for its exclusion.
- A recommended reserve account contribution rate, a contribution rate for a Full Funding plan to achieve one hundred percent Fully Funded reserves by the end of the thirty-year study period, and a Baseline Funding plan to maintain the reserve balance above zero throughout the thirty-year study period without special assessments.

New Definitions (paraphrased – see RCW 64.34.020):

- Baseline Funding plan means establishing a reserve funding goal of maintaining a reserve account balance above zero dollars throughout the thirty-year study period.
- Full Funding plan means setting a reserve funding goal of achieving one hundred percent Fully Funded reserves by the end of the thirty-year study period.
- Significant Assets within Condominium Associations means that the current total cost of major maintenance repair and replacement of the reserve components is fifty percent or more of the gross budget of the association, excluding the budgeted reserve contribution. The criteria for significant assets within Homeowners Associations is the current total cost of major maintenance, repair and replacement of the reserve components is seventy-five percent or more of the gross budget, excluding the budgeted reserve contribution.

Borrowing from Reserves (paraphrased – see RCW 64.34.384):

- An association may withdraw funds from its reserve account to pay for unforeseen or unbudgeted costs that are unrelated to maintenance, repair or replacement of the reserve components. See RCW 64.34.384 for specific notification requirements.
- Payment for major maintenance, repair or replacement of the Reserve Components out of cycle with the Reserve Study projections or not included in the Reserve Study may be made from the reserve account without meeting the notification or repayment requirements under this section.

Homeowners Associations:

The requirement to perform and disclose Reserve Studies for Homeowners Associations with significant assets is very similar to the requirements of condominiums with some notable exceptions as listed below. The full text can be found using the link at the beginning of this article.

Differences Between HOA and Condo Requirements (paraphrased – see RCW 64.38):

- Significant assets mean that the current replacement value of the major reserve components is seventy-five percent or more of the gross budget of the association, excluding the budgeted reserve contribution.
- Reserve component means a common element whose cost of maintenance, repair or replacement is infrequent, significant, and impractical to include in an annual budget. HOA law will not specifically require roofing, painting, paving, decks, siding, plumbing, windows to be included as these components are not found in many HOA's.
- An HOA is not required to follow the Reserve Study requirements if the cost of the Reserve Study exceeds five percent (10% for Condos) of the association's annual budget, the association does not have significant assets, or there are ten or fewer homes in the association.