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L155-1 EAGLE POINT LLC
10515 20th Street SE, Suite 100
Everett, WA 98205

DOCUMENT TITLE(S):
MASTER DECLARATION AND COVENANTS, CONDITIONS, RESTRICTIONS AND
RESERVATIONS FOR THE MEADOWS IN MARYSVILLE, A MASTER CONDOMINIUM
COMMUNITY

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED: NONE

GRANTOR(S) (DECLARANT)
L155-1 EAGLE POINT LLC

GRANTEE(S) (PROJECT NAME)
THE MEADOWS IN MARYSVILLE, A MASTER CONDOMINIUM COMMUNITY

LEGAL DESCRIPTION (SECTION, TOWNSHIP, RANGE):
NE 1/4, SE 1/4 & NW 1/4, SE 1/4 Section 33, Township 31 N, Range 5 E
W.M.

Additional legal is on Exhibit A of the document

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ORIGINAL

**MASTER DECLARATION
AND
COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS
FOR
THE MEADOWS IN MARYSVILLE, A MASTER CONDOMINIUM COMMUNITY**

NOTICE TO RECORDER'S OFFICE

AS REQUIRED BY RCW CHAPTER 64.34, AT THE TIME OF RECORDING OF THIS MASTER DECLARATION INSERT IN SECTION 22.7, THE CROSS-REFERENCE RECORDING DATA OF THE SURVEY MAP AND PLANS RECORDED IN CONNECTION HEREWITH

DEVELOPMENT PLAN

The recording of the Master Declaration and related Survey Map and Plans shall create THE MEADOWS IN MARYSVILLE, A Master Condominium Community ("Master Condominium") containing two hundred and eighty-eight (288) units ("Master Units 1 through 288, inclusive, collectively "Master Units") THE MEADOWS IN MARYSVILLE Master Owners Association ("Master Association") will be created by the filing of Articles of Incorporation ("Master Articles") of Master Association and the Bylaws ("Master Bylaws") of the Master Association

By the recording of a condominium declaration and survey map and plans, a condominium ("McKendree Park, A Condominium") may be created within Master Unit 288 and be comprised a number of multifamily structures, each containing condominium dwelling units. The McKendree Park Condominium Association ("McKendree Park Association") will be created by the filing of Articles of Incorporation ("McKendree Park Articles") of McKendree Park Association and the Bylaws ("McKendree Park Bylaws") of the McKendree Park Association

By the recording of two condominium declarations and survey map and plans, two condominiums (one to be named "Bristol Court, A Condominium Community", and one to be named "Hawkstone, A Condominium Community", and all collectively being referred to as the "Single Family Condominiums") may be created. Each Single Family Condominium will contain a number of Master Units, and each such Unit will contain a single family dwelling. Each Single Family Condominium may be expanded by adding additional Master Units, and additional Single Family Condominiums may be created containing Master Units. For each Single Family Condominium, an owners association ("Single Family Association") will be created pursuant to articles of incorporation ("Single Family Association Articles") and bylaws ("Single Family Association Bylaws"), collectively referred to as the "Single Family Associations"

The McKendree Park, A Condominium and the Single Family Condominiums shall collectively be referred to as the "Subcondominiums". The McKendree Park Condominium Association and the Single Family Associations shall collectively referred to as the "Subassociations"

**MASTER DECLARATION
AND
COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS
FOR
THE MEADOWS IN MARYSVILLE, A MASTER CONDOMINIUM COMMUNITY**

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**MASTER DECLARATION
AND
COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS
FOR**

THE MEADOWS IN MARYSVILLE, A MASTER CONDOMINIUM COMMUNITY

Pursuant to the Act defined in Section 1 8 1 and for the purpose of submitting the Property hereinafter described to the provisions of said Act, the undersigned, being sole owner(s), lessee(s) or possessor(s) of said Property, make the following Master Declaration. By acceptance of a conveyance, contract for sale, lease, rental agreement, or any form of security agreement or instrument, or any privileges of use or enjoyment, respecting the Property or any Unit in the Condominium created by this Master Declaration, it is agreed that this Master Declaration, together with the Survey Map and Plans referred to herein, states covenants, conditions, restrictions, and reservations effecting a common plan for the Condominium development mutually beneficial to all of the described Units, and that the covenants, conditions, restrictions, reservations and plan are binding upon the entire Condominium and upon each such Unit as a parcel of realty, and upon its owners or possessors, and their heirs, personal representatives, successors and assigns, through all successive transfers of all or part of the Condominium or any security interests therein, without requirement of further specific reference or inclusion in deeds, contracts or security instruments and regardless of any subsequent forfeitures, foreclosures, or sales of Units under security instruments

The name of this Condominium is: THE MEADOWS IN MARYSVILLE, A MASTER CONDOMINIUM COMMUNITY

DEVELOPMENT PLAN

The recording of the Master Declaration and related Survey Map and Plans shall create THE MEADOWS IN MARYSVILLE, A Master Condominium Community ("Master Condominium") containing two hundred and eighty-eight (288) units ("Master Units 1 through 288, inclusive, collectively "Master Units") THE MEADOWS IN MARYSVILLE Master Owners Association ("Master Association") will be created by the filing of Articles of Incorporation ("Master Articles") of Master Association and the Bylaws ("Master Bylaws") of the Master Association

By the recording of a condominium declaration and survey map and plans, a condominium ("McKendree Park, A Condominium") may be created within Master Unit 288 and be comprised a number of multifamily structures, each containing condominium dwelling units. The McKendree Park Condominium Association ("McKendree Park Association") will be created by the filing of Articles of Incorporation (McKendree Park Articles") of McKendree Park Association and the Bylaws ("McKendree Park Bylaws") of the McKendree Park Association

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The McKendree Park, A Condominium and the Single Family Condominiums shall collectively be referred to as the "Subcondominiums". The McKendree Park Condominium Association and the Single Family Associations shall collectively referred to as the "Subassociations"

**Article 1
INTERPRETATION**

1 1 Liberal Construction The provisions of this Master 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. It is intended and covenanted also that, insofar as it affects this Master Declaration and Condominium, the provisions of the Act under which this Master Declaration is operative, shall be liberally construed to effectuate the intent of this Master Declaration insofar as reasonably possible

1 2 Consistent with Act The terms used herein are intended to have the same meaning 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 It is intended that this Master Declaration shall be operative as a set of covenants running with the land, or equitable servitudes, binding on Declarant, its successors and assigns, all subsequent

Owners of the Property, 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 be, in any respect, inapplicable

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

1.5 Declarant Is Original Owner Declarant is the original Owner of all Units and Property and will continue to be deemed the Owner thereof except as conveyances or documents changing such ownership regarding specifically described Units are recorded

1.6 Captions and Exhibits Captions given to the various Articles and Sections herein are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof. The various exhibits referred to herein and attached hereto shall be deemed incorporated herein by reference as though fully set forth where such reference is made

1.7 Inflationary Increase in Dollar Limits Any dollar amounts specified in this Master Declaration in connection with any proposed action or decision of the Board or Master Association may, in the discretion of the Board, be increased proportionately by the increase in the consumer price index for the city of Seattle, Washington for All Urban Consumers, prepared by the United States Department of Labor for the base period, January 1 of the calendar year following the year in which the Master Declaration was recorded, to adjust for any deflation or inflation in the value of the dollar

1.8 Definitions

1.8.1 "The Act" means the Washington Condominium Act, Laws of 1989, Chapter 43 (RCW Chapter 64.34) as amended

1.8.2 "Allocated Interests" means those undivided interests in the Common Elements, the Common Expense Liability, and votes in the Master Association allocated to each Unit more particularly provided for in Article 8 and as shown in Exhibit B

1.8.3 "Assessment" means all sums chargeable by the Master Association against a Unit including, without limitation (a) regular and special Assessments for Common Expenses, charges, and fines imposed by the Master Association, (b) interest and late charges on any delinquent account, and (c) costs of collection, including reasonable attorneys' fees, incurred by the Master Association in connection with the collection of a delinquent Owner's account

1.8.4 "Board" means the board of directors of the Master Association provided for in Section 10.3

1.8.5 "Books and Records of the Master Association" shall be given the broadest possible meaning and shall include, without limitation, exception or qualification, the following

(a) Master Declaration, Survey Map and Plans, Articles of Incorporation, Bylaws and other rules and regulations governing the Condominium (or any part thereof), and all amendments thereto,

(b) minute books, including all minutes, of all Owner, Board, Officer, Committee or other meetings relating to the Condominium (or any part thereof), including all reports, documents, communications or written instruments attached thereto or referenced therein),

(c) all financial records, including without limitation canceled checks, bank statements, and financial statements of the Master Association and source documents from the time of incorporation of the Master Association through the current date,

(d) all reports, documents, communications or written instruments pertaining to the personal property of the Master Association or the Condominium (or any part thereof),

(e) all reports, documents, communications, written instruments, plans, and specifications pertaining to the construction, remodeling, maintenance, repair, replacement or condition of the Condominium (or any part thereof),

(f) all Insurance policies or copies thereof for the Condominium (or any part thereof) and Master Association,

(g) copies of any certificates of occupancy that may have been issued for the Condominium (or any part thereof)

thereof,

(h) any other permits or notices issued by governmental bodies applicable to the Condominium (or any part thereof) in force or issued,

(i) all written warranties that are still in effect for the Condominium (or any part thereof), or any other areas or facilities which the Master Association has the responsibility to maintain and repair, from the Declarant, contractor, subcontractors, suppliers, and manufacturers, together with all owners' manuals or instructions furnished with respect to installed equipment or building systems,

(j) a roster of Owners, Officers and Board members and eligible mortgagees and their addresses and telephone numbers, if known,

(k) any leases of the Common Elements or areas and other leases to which the Master Association is a party, any employment, service, consultation, professional or other contracts in which the Master Association, Board or Officer is one of the contracting parties, or in which the Master Association or the Owners have an obligation or a responsibility, directly or indirectly, to pay some or all of the fee or charge, or which in any way relate to the Condominium (or any part thereof),

(l) all reports, documents, communications or written instruments pertaining to any litigation or other legal or mediation/arbitration proceeding (whether pending, threatened, or under consideration) to which the Master Association (or Board, Officer or Owner) is or may be a party, or which may relate to or affect the Condominium (or any part thereof), and

(m) all other all reports, documents, communications or written instruments in any way relating to or affecting the Master Association, Board, Officers, Owners or the Condominium (or any part thereof)

1 8 6 "Bylaws" shall mean the bylaws of the Master Association provided for in Article 9

1 8 7 "Common Elements" means all portions of the Condominium other than the Units

1 8 8 "Common Expenses" means expenditures made by or financial liabilities of the Master Association, together with any allocations to reserves

1 8 9 "Common Expense Liability" means the liability for Common Expenses allocated to each Unit pursuant to Article 8

1 8 10 "Condominium" means the condominium created by this Master Declaration and related Survey Map and Plans pursuant to the Act

1 8 11 "Conveyance" means any transfer of the ownership of a Unit, including a transfer by deed or by real estate contract and with respect to a Unit in a leasehold condominium, a transfer by lease or assignment thereof, but shall not include a transfer solely for security

1 8 12 "Declarant" means any person or group of persons acting in concert who (a) executed as Declarant this Master Declaration, or (b) reserves or succeeds to any Special Declarant Right under the Master Declaration

1 8 13 "Declarant Control" means the right, if expressly reserved by this Master Declaration, of the Declarant or persons designated by the Declarant to appoint and remove Master Association officers and Board members, or to veto or approve a proposed action of the Board or Master Association, provided, in no event shall exercising the voting rights allocated to a unit or units owned by the Declarant or Declarant's affiliates be deemed "Declarant Control" Note The Declarant is not reserving the right of Declarant Control

1 8 14 "Development Rights" means any right, if expressly reserved by the Declarant in this Master Declaration to (a) add real property or improvements to the Condominium, (b) create Units, Common Elements, or Limited Common Elements within real property included or added to the Condominium, (c) subdivide Units or convert Units into Common Elements, (d) withdraw real property from the Condominium, or (e) reallocate limited common elements with respect to units that have not been conveyed by the Declarant

1 8 15 "Dispose" or "Disposition" means a voluntary transfer or conveyance to a purchaser or lessee of any legal or equitable interest in a Unit, but does not include the transfer or release of a security interest

1 8 16 "Eligible Mortgagee" means a mortgagee of a Unit or the Mortgagee of the Condominium that has filed with

the secretary of the Master Association a written request that it be given copies of notices of any action by the Master Association that requires the consent of Mortgagees

1 8 17 "Foreclosure" means a forfeiture or judicial or nonjudicial foreclosure of a Mortgage or a deed in lieu thereof

1 8 18 "Identifying Number" means the designation of each Unit in a Condominium

1 8 19 "Interior Surfaces" (where that phrase is used in defining the boundaries of Limited Common Elements) shall not include paint, paneling, and other such finished surface coverings. Said finished coverings, along with fixtures and other tangible personal property located in and used in connection with said Limited Common Element, shall be deemed a part of said Limited Common Element

1 8 20 "Limited Common Element" means a portion of the Common Elements allocated by this Master Declaration (or by subsequent amendments thereto) or by operation of law for the exclusive use of one or more but fewer than all of the Units as provided in Article 7

1 8 21 "Manager" means the person retained by the Board to perform such management and administrative functions and duties with respect to the Condominium as are delegated to such person and as are provided in a written agreement between such person and the Master Association

1 8 22 "Master Association" means all of the Owners acting as a group in accordance with the Bylaws and with this Master Declaration as it is duly recorded and as they may be lawfully amended, which Master Association is more particularly provided for in Article 9. The Master Association shall constitute a master association provided for under RCW 64 34 276. The Master Association shall be acting in the capacity of an association described in RCW 64 34 300

1 8 23 "Master Declaration" means this Master Declaration and any amendments thereto

1 8 24 "Master Unit" means a means a portion of the Condominium, created by the recording of the Master Declaration and related Survey Map and Plans, designated for separate ownership, the boundaries of which are described pursuant to Article 4

1 8 25 "Mortgage" means a mortgage or deed of trust that creates a lien against a Unit and also means a real estate contract for the sale of a Unit

1 8 26 "Mortgagee" means the beneficial owner, or the designee of the beneficial owner, of an encumbrance on a Unit created by mortgage or deed of trust and shall also mean the vendor, or the designee of a vendor, of a real estate contract for the sale of a Unit. A Mortgagee of the Condominium and a Mortgagee of a Unit are included within the definition of Mortgagee

1 8 27 "Mortgagee of a Unit" means the holder of a Mortgage on a Unit, which mortgage was recorded simultaneous with or after the recordation of this Master Declaration. Unless the context requires otherwise, the term "Mortgagee of a Unit" shall also be deemed to include the Mortgagee of the Condominium

1 8 28 "Mortgagee of the Condominium" means the holder of a Mortgage on the Property which this Master Declaration affects, which Mortgage was either recorded prior to the recordation of this Master Declaration, or was recorded against all Units after the recordation of this Master Declaration but prior to the recorded conveyance of any Unit. The term "Mortgagee of the Condominium" does not include Mortgagees of the individual Units

1 8 29 "Person" means a natural person, corporation, partnership, limited partnership, trust, governmental subdivision or agency, or other legal entities

1 8 30 "Property" or "Real Property" means any fee, leasehold or other estate or interest in, over, or under the land described in Exhibit A, including Buildings, structures, fixtures, and other improvements thereon and easements, rights and interests appurtenant thereto which by custom, usage, or law pass with a conveyance of land although not described in the contract of sale or instrument of conveyance. "Property" included parcels, with or without upper or lower boundaries, and spaces that may be filled with air or water, and all personalty intended for use in connection therewith

1 8 31 "Purchaser" means any person, other than Declarant, who by means of a Disposition acquires a legal or equitable interest in a Unit other than (a) a leasehold interest, including renewal options, of less than twenty years at the time of creation of the Unit, or (b) as security for an obligation

1 8 32 "Renting or Leasing" a Unit means the granting of a right to use or occupy a Unit, for a specified term or

indefinite term (with rent reserved on a periodic basis), in exchange for the payment of rent (that is, money, property or other goods or services of value), but shall not mean and include joint ownership of a Unit by means of joint tenancy, tenancy-in-common or other forms of co-ownership

1 8 33 "Residential Purposes" means use for dwelling or recreational purposes, or both

1 8 34 "Special Declarant Rights" means rights, if expressly reserved in this Master Declaration for the benefit of Declarant to

(a) complete improvements indicated on Survey Maps and Plans filed with the Master Declaration under RCW 64 34 232,

(b) exercise any Development Right under Section 23 2,

(c) maintain sales offices, management offices, signs advertising the Condominium, and models under Section 23 1 2,

(d) use easements through the Common Elements for the purpose of making improvements within the Condominium or within real property which may be added to the Condominium,

(e) make the Condominium part of a larger Condominium or a development under RCW 64 34 280,

(f) make the Condominium subject to a Master Association under RCW 64 34 276, or

1 8 35 "Subassociation" means an owners association comprised of the Owners of Units in a Subcondominium. A Subassociation shall be deemed a subassociation provided for in RCW 64 34 278

1 8 36 "Survey Map and Plans" means the survey map and the plans recorded simultaneously with this Master Declaration and any amendments, corrections, and addenda thereto subsequently recorded

1 8 37 "Unit" means a portion of a condominium, created within a Master Unit, designated for separate ownership, the boundaries of which are described pursuant to Article 4 of the declaration for such condominium

1 8 38 "Unit Owner" means, subject to Section 1 9 5, a Declarant or other person who owns a Unit, but does not include a person who has an interest in a Unit solely as security for an obligation, or is merely "renting" or "leasing" a Unit as defined in Section 1 8 31. "Unit Owner" means the vendee, not the vendor, of a Unit under a real estate contract

1 8 39 "Unit Structure" means the improvements located or to be located within a Unit

1 9 Construction and Validity

1 9 1 All provisions of the Master Declaration and Bylaws are severable

1 9 2 The rule against perpetuities may not be applied to defeat any provision of the Master Declaration, Bylaws, rules, or regulations adopted pursuant to RCW 64 34 304(1)(a)

1 9 3 In the event of a conflict between the provisions of the Master Declaration and the Bylaws, the Master Declaration prevails except to the extent the Master Declaration is inconsistent with the Act

1 9 4 The creation of this Condominium shall not be impaired and title to the Master Unit or Unit and Common Elements shall not be rendered unmarketable or otherwise affected by reason of an insignificant failure of the Master Declaration or Survey Map and Plans or any amendment thereto to comply with the Act

1 9 5 If the Master Declaration or Bylaws now or hereafter provide that any officers or directors of the Master Association must be Unit Owners, then notwithstanding the definition contained in Section 1 8 38, the term "Unit Owner" in such context shall, unless the Master Declaration or Bylaws otherwise provide, be deemed to include any director, officer, partner in, or trustee of any person, who is, either alone or in conjunction with another person or persons, a Unit Owner. Any officer or director of the Master Association who would not be eligible to serve as such if he or she were not a director, officer, partner in, or trustee of such a person shall be disqualified from continuing in office if he or she ceases to have any such affiliation with that person, or if that person would have been disqualified from continuing in such office as a natural person

Article 2
DESCRIPTION OF REAL PROPERTY

The Real Property included in the Condominium is described in Exhibit A attached hereto

Article 3
DESCRIPTION OF UNITS

Exhibit B attached hereto sets forth the following

3 1 Number of Master Units The number of Master Units which Declarant has created and reserves the right to create

3 2 Master Unit Number The Identifying Number of each Master Unit created by the Master Declaration

3 3 Master Unit Description With respect to each existing Master Unit

3 3 1 The approximate square footage

3 3 2 Because the Master Unit is an envelope of defined space (which may in the future, but not necessarily on the Master Declaration's recording date, contain a dwelling structure), the Master Declaration may not include number of bathrooms, bedrooms and fireplaces within a Unit or the building levels on which the Unit is located

3 4 Access to Common Ways and Public Streets Each Unit has direct access to Common Area parking areas and/or driveways, and all such Common Areas have direct access to public streets

Article 4
BOUNDARIES

4 1 Master Unit Boundaries Master Units shall consist of an envelope of space, the perimeter boundaries of which on the surface of the land as located and depicted on the Survey Map and Plans and which boundaries extend below and above the ground elevation for each Master Unit as shown on the Survey Map and Plans. A Master Unit shall include all structures, improvements, and fixtures now or hereafter located within said space

4 2 Monuments as Boundaries Any physical boundaries of a Master Unit constructed in substantial accordance with the original Survey Map and Plans thereof become its boundaries rather than the metes and bounds expressed in the Survey Map and Plans, regardless of settling or lateral movements of the said physical boundaries or minor variances between boundaries shown on the Survey Map and Plans and those of any said physical boundaries. This Section does not relieve a Declarant or any other person of liability for failure to adhere to the Survey Map and Plans

4 3 Relocation of Boundaries, Adjoining Master Units

4 3 1 In General Subject to the provisions of the Master Declaration and other provisions of law, the boundaries between adjoining Master Units may only be relocated by an amendment to the Master Declaration upon application to the Master Association by the Owners of those Master Units. If the Owners of the adjoining Master Units have specified a reallocation between their Master Units of their Allotted Interests, the application must state the proposed reallocations. Unless the Board determines within thirty days that the reallocations are unreasonable, the Master Association shall prepare an amendment that identifies the Master Units involved, states the reallocations, is executed by those Master Unit owners, contains words or conveyance between them, and is recorded in the name of the grantor and the grantee

4 3 2 Survey Map and Plans The Master Association shall obtain and record Survey Maps or Plans complying with the requirements of RCW 64 34 232(4) necessary to show the altered boundaries between adjoining Master Units and their dimensions and Identifying Numbers

Article 5
DESCRIPTION OF OTHER IMPROVEMENTS

Exhibit A, attached hereto set forth the following

5 1 Recreational Facilities A description of the recreational facilities, if any, included within the Condominiums

5 2 Parking The number of covered, uncovered or enclosed parking spaces, if any, including those described in

Section 7.1.2

5.3 Moorage Slips The number of moorage slips, if any

Article 6
DESCRIPTION OF COMMON ELEMENTS

Except as otherwise specifically allocated by the provisions of Article 7 or other provisions of this Master Declaration or amendments hereto, the Common Elements consist of all portions of the Condominium except Master Units and include the following

6.1 The Real Property described in Exhibit A, and improvements thereto, which are not part of a Master Unit

6.2 Installations of drainage, storm water detention or utility services such as power, light, gas and hot water and in general all apparatus and installations existing for common use, including but not limited to those depicted on the Survey Map and Plans

6.3 The driving areas, including those depicted on the Survey Map (not part of a Master Unit or not allocated as Limited Common Elements by this Master Declaration or amendments thereto) which provide access to the Units or Limited Common Elements for parking, and any guest parking or other parking areas (not part of a Master Unit or not allocated to Master Units as Limited Common Elements by this Master Declaration or amendments thereto)

6.4 The native growth protection or open space areas, yards, gardens, landscaped areas and walkways (not part of a Master Unit or not assigned as Limited Common Elements by this Master Declaration or amendments thereto) which surround and provide access to the Master Units or are used for recreational purposes

6.5 All other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use

Article 7
DESCRIPTION OF LIMITED COMMON ELEMENTS

7.1 Limited Common Elements The Limited Common Elements are allocated for the exclusive use of the Owner or Owners of the Master Unit or Master Units to which they are allocated; provided by law or other provisions of the Master Declaration or amendments thereto

7.2 Limited Common Elements The Limited Common Elements are allocated for the exclusive use of the Owner or Owners of the Master Unit or Master Units to which they are allocated

7.3 Transfer of Limited Common Elements

7.3.1 Reallocation Between Master Units Except in the case of a reallocation being made by the Declarant pursuant to a Development Right reserved in this Master Declaration, a Limited Common Element may only be reallocated between Master Units with the approval of the Board and by an amendment to the Master Declaration executed by the Owners of, and approved in writing by the Mortgagees holding Mortgages against, the Master Units to which the Limited Common Element was and will be allocated. The Board shall approve the request of the Owner or Owners under this section within thirty days unless the proposed reallocation does not comply with the Act or the Master Declaration. The failure of the Board to act upon a request within such period shall be deemed approval thereof. The amendment shall be recorded in the names of the parties and of the Condominium

7.3.2 Common to Limited Common, Etc Owners of Master Units must agree to reallocate a Common Element as a Limited Common Element or to incorporate a Common Element or a Limited Common Element into an existing Master Unit. Such reallocation or incorporation shall be reflected in an amendment to the Master Declaration, Survey Map, or Plans. Provided, however, this Section shall not apply with respect to any such reallocation or incorporation made as a result of the exercise of any Development Right reserved by Declarant

Article 8
ALLOCATED INTERESTS

The Allocated Interests of each Master Unit in Common Elements, the Common Expense Liability and the votes in the Master Association allocated to each Master Unit are as follows: Master Units 1 through 287, inclusive - 1/371, and Master Unit 288 - 84/371. The Allocated Interest appertaining to each Master Unit cannot be changed except as provided in this Master Declaration. The Allocated Interest and the title to the respective Master Units shall not be sep-

ated or separately conveyed and each undivided interest shall be deemed to be conveyed with its respective Master Unit even though the description in the instrument of conveyance or encumbrance may refer only to the title to the Master Unit. Except where permitted by the Act, the Common Elements are not subject to partition, and any purported conveyance, encumbrance, judicial sale, or other voluntary or involuntary transfer of an Allocated Interest made without the Master Unit or Unit to which that Interest is allocated is void.

Article 9 Master Association

9 1 Form of Master Association The Master Association shall be organized as a non-profit corporation under the laws of the State of Washington and shall be known as THE MEADOWS IN MARYSVILLE Master Owners Association.

9 2 Membership

9 2 1 Qualification Each Owner (including Declarant) of a Unit shall be a member of the Master Association and shall be entitled to one membership for each Unit so owned, provided, that if a Unit has been sold on contract, the contract purchaser shall exercise the rights of the Unit Owner for purposes of the Master Association, this Master Declaration, and the Bylaws, except as hereinafter limited, and shall be the voting representative unless otherwise specified. Ownership of a Unit shall be the sole qualification for membership in the Master Association.

9 2 2 Transfer of Membership The Master Association membership of each Owner (including Declarant) shall be appurtenant to the Unit giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon the transfer of title to said Unit and then only to the transferee of title to such Unit. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Unit shall operate automatically to transfer the membership in the Master Association appurtenant thereto to the new Owner thereof.

9 3 Voting

9 3 1 Number of Votes The total voting power of all Owners shall be equal to the total number of votes as provided in Article 8.

9 3 2 Multiple Owners If only one of the multiple Owners of a Unit is present at a meeting of the Master Association, the owner is entitled to cast all the votes allocated to that Unit. If more than one of the multiple Owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple Owners. 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.

9 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 Master Association. A proxy is void if it is 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.

9 3 4 Master Association Owned Units No votes allocated to a Unit owned by the Master 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 Master Association shall be disregarded.

9 3 5 Pledged Votes If an Owner is in default under a first Mortgage on the Unit for ninety (90) consecutive days or more, the Mortgagee shall automatically be authorized to declare at any time thereafter that the Unit Owner has pledged his or her vote on all issues to the Mortgagee during the continuance of the default. If the Board has been notified of any such pledge to a Mortgagee, or in the event the record Owner or Owners have otherwise pledged their vote regarding special matters to a Mortgagee under a duly recorded Mortgage, only the vote of such Mortgagee or vendor, will be recognized in regard to the special matters upon which the vote is so pledged, if a copy of the instrument with this pledge has been filed with the Board. Amendments to this subsection shall only be effective upon the written consent of all the voting Owners and their respective Mortgagees, if any.

9 4 Meetings, Notices and Quorums

9 4 1 Meetings A meeting of the Master Association must be held at least once each year. Special meetings of the Master Association may be called by the president, a majority of the Board, or by Unit owners having twenty

percent of the votes in the Master Association. 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 Master 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.

9.4.2. Quorums

(a) A quorum is present throughout any meeting of the Master Association if the owners of Units to which twenty-five percent of the votes of the Master Association are allocated are present in person or by proxy at the beginning of the meeting.

(b) A quorum is deemed present throughout any meeting of the Board if persons entitled to cast fifty percent of the votes on the Board are present at the beginning of the meeting.

9.5. Bylaws of Master Association

9.5.1. Adoption of Bylaws Bylaws (and amendments thereto) for the administration of the Master Association and the Property, and for other purposes not inconsistent with the Act or with the intent of this Master Declaration shall be adopted by the Master Association upon concurrence of those voting Owners holding a majority of the total voting power. Amendments to the Bylaws may be adopted at any regular or special meeting. Declarant may adopt initial Bylaws.

9.5.2. Bylaws Provisions The Bylaws may contain supplementary, not inconsistent, provisions regarding the operation and administration of the Condominium.

Article 10 MANAGEMENT OF CONDOMINIUM

10.1. Administration of the Condominium The Unit Owners covenant and agree that the administration of the Condominium shall be in accordance with the provisions of this Master Declaration and the Articles of Incorporation and Bylaws of the Master Association which are incorporated herein by reference and made a part hereof.

10.2. Election and Removal of Board and Officers

10.2.1. Election By Owners, In General The Unit Owners (including Declarant, declarant of a Subcondominium, any Affiliate of Declarant or other declarant to the extent Units are owned by Declarant or other declarant or any such Affiliate) shall elect a Board of at least three members, a majority of whom must be Unit Owners. The Board shall elect the officers. Such members of the Board and officers shall take office upon election.

10.2.2. Election By Owners, Other Than Declarant

(a) The affairs of the Master Association shall initially be governed by a Board composed of at least one (1) but not more than three (3) members as determined by Declarant.

(b) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units which may be created to Unit Owners other than Declarant or a declarant of a Subcondominium, at least one (1) member and not less than twenty-five percent (25%) of the members of the Board may be elected by Unit Owners other than Declarant or a declarant of a Subcondominium. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units which may be created to Unit Owners other than a Declarant or a declarant of a Subcondominium, not less than thirty-three and one-third percent of the members of the Board may be elected by Unit Owners other than the Declarant or a declarant of a Subcondominium.

(c) Commencing with the first Master Association meeting at which the Unit Owners are to elect the entire Board (other than a meeting held when Declarant or a declarant of a Subcondominium still owned all of the units), and unless the Bylaws are amended at that meeting, the Board shall be composed of five (5) Members (not including a Board member designated by Declarant or a declarant of a Subcondominium), a majority of whom must be Owners of Units in the Condominium. One (1) Board member shall be elected by a majority of the votes cast by Owners of units within Master Unit 288, four (4) Board member shall be elected by a majority of the votes cast by Owners of units within the Single Family Condominiums. The Declarant or a declarant of a Subcondominium (or a representative of Declarant or a declarant of a Subcondominium) shall have the right (which may not be terminated by amendment to the Master

Declaration or Bylaws, and which shall continue so long as any Special Declarant Rights or Developments remain in effect or Declarant or a declarant of a Subcondominium has any obligation or liability of any express or implied warranty) to serve as a full non-voting member of the Master Association Board (with all of the rights and powers of a Board member except for the right to vote)

10.2.3. Taking Office, Officers The Board shall elect the officers of the Master Association. Such members of the Board and officers shall take office upon election.

10.2.4. Removal The Unit Owners, by a two-thirds vote of the voting power in the Master Association present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any member of the Board with or without cause.

10.3 Management by Board

10.3.1. On Behalf of Master Association Except as otherwise provided in the Master Declaration, the Bylaws, Section 10.3.2 or the Act, the Board shall act in all instances on behalf of the Master Association. In the performance of their duties, the officers and members of the Board are required to exercise ordinary and reasonable care.

10.3.2. Not on Behalf of Master Association The Board shall not act on behalf of the Master Association to amend the Master Declaration in any manner that requires the vote or approval of the Unit Owners pursuant to Section 21.1, to terminate the Condominium pursuant to RCW 64.34.268, or to elect members of the Board or determine the qualifications, powers, and duties, or terms of office of members of the Board pursuant to section 10.2, but the Board may fill vacancies in its membership for the unexpired portion of any term.

10.3.3. Budget Approval 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 Master Association are allocated reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Board.

10.4 Authority of the Master Association

10.4.1. The Master Association acting by and through the Board, or a Manager appointed by the Board, for the benefit of the Condominium and the Owners, shall enforce the provisions of this Master Declaration and of the Bylaws and shall have all powers and authority permitted to the Master Association under the Act and this Master Declaration, including without limitation:

- (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) Subject to the provisions of the Master Declaration, 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, provided, that on matters affecting a Unit the Master Association must obtain the prior written consent of the Owner of the Unit affected,
- (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 Section 10.8,
- (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 any payments, fees, or charges for the use, rental, or operation of the Common Elements, and for services provided to Unit Owners,

(k) Impose and collect charges for late payment of assessments and, after notice and an opportunity to be heard by the Board or by such representative designated by the Board and in accordance with such procedures as provided in the Master Declaration or Bylaws or rules and regulations adopted by the Board levy reasonable fines in accordance with a previously established schedule thereof adopted by the Board and furnished to the Owners for violations of the Master Declaration, Bylaws, and rules and regulations of the Master Association,

(l) Impose and collect reasonable charges for the preparation and recording of amendments to the Master Declaration, resale certificates required by RCW 64 34 425 and statements of unpaid Assessments,

(m) Provide for the indemnification of its officers and Board 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 Master Declaration provides,

(o) Exercise any other powers conferred by the Master Declaration or Bylaws,

(p) Exercise all other powers that may be exercised in this state by the same type of corporation as the Master Association,

(q) Exercise any other powers necessary and proper for the governance and operation of the Master Association,

(r) Maintain and repair any Unit, its appurtenances and appliances, and any Limited Common Elements, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect the Common Element or preserve the appearance and value of the Condominium, and the Owner of said Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner, provided that the Board shall levy a special charge against the Unit of such Owner for the cost of such maintenance or repair, and

(s) Pay any amount necessary to discharge any lien or encumbrance levied against the entire Property or any part thereof which is claimed to or may, in the opinion of the Board, constitute a lien against the Property or against the Common Elements, rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it, and any costs and expenses (including court costs and attorney fees) incurred by the Board by reason of such lien or liens shall be specially charged against the Owners and the Units responsible to the extent of their responsibility

10 4 2 The Board's power herein above enumerated shall be limited in that the Board shall have no authority to acquire and pay for out of the Master Association funds a capital addition or improvement (other than for purposes of restoring, repairing or replacing portions of the Common Elements) having a total cost in excess of Five Thousand Dollars (\$5,000), without first obtaining the affirmative vote of a majority of Owners at a meeting called for such purpose, or if no such meeting is held, then the written consent of a majority of Owners, provided that any expenditure or contract for each capital addition or improvement in excess of Twenty-Five Thousand Dollars (\$25,000) must be approved by Owners having not less than sixty-seven percent (67%) of the voting power

10 4 3 Nothing herein contained shall be construed to give the Master Association authority to conduct an active business for profit on behalf of all of the Owners or any of them

10 4 4 The Board and its agents or employees, may enter any Unit or Limited Common Element when necessary in connection with any maintenance, landscaping or construction for which the Board is responsible or in the event of emergencies. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Board paid for as a Common Expense if the entry was due to an emergency, or for the purpose of maintenance or repairs to Common or Limited Common Elements where the repairs were undertaken by or under the direction or authority of the Board, provided, if the repairs or maintenance were necessitated by or for the Unit entered or its Owners, or requested by its Owners, the costs thereof shall be specially charged to such Unit. In furtherance of the foregoing, the Board (or its designated agent) shall have the right at all times to possess such keys and/or lock combinations as are necessary to gain immediate access to Units and Limited Common Elements.

10 5 Borrowing by Master Association In the discharge of its duties and the exercise of its powers as set forth in Section 10 4 1, but subject to the limitations set forth in this Master Declaration, the Board may borrow funds on behalf

of the Master Association and to secure the repayment of such funds, assess each Unit (and the Owner thereof) for said Unit's pro rata share of said borrowed funds and the obligation to pay said pro rata share shall be a lien against said Unit and the undivided interest in the Common Elements appurtenant to said Unit. Provided, that the Owner of a Unit may remove said Unit and the Allocated Interest in the Common Elements appurtenant to such Unit from the lien of such assessment by payment of the Allocated Interest in Common Expense Liability attributable to such Unit. Subsequent to any such payment, discharge, or satisfaction, the Unit and the Allocated Interest in the Common Elements appurtenant thereto shall thereafter be free and clear of the liens so paid, satisfied, or discharged. Such partial payment, satisfaction, or discharge shall not prevent the lienor from proceeding to enforce his rights against any Unit and the Allocated Interest in the Common Elements appurtenant thereto not so paid, satisfied, or discharged.

10.6 Master Association Records and Funds

10.6.1 Records and Audits The Master Association shall keep financial records sufficiently detailed to enable the Master Association to comply with RCW 64.34.425 in providing resale certificates. All Books and Records of the Master Association (as defined in Section 1.8) shall be made reasonably available (at all reasonable hours of weekdays or under other reasonable circumstances) for examination and copying by Declarant, and any Owner, Mortgagee, insurer and guarantor of any Mortgage on any Unit, or their agents. At least annually, the Master Association shall prepare, or cause to be prepared, a financial statement of the Master Association in accordance with generally accepted accounting principles. If this Condominium consists of fifty or more Units, the financial statements of the Condominium shall be audited at least annually by a certified public accountant. If this Condominium consists of fewer than fifty Units, an annual audit is also required but may be waived annually by Owners (other than the Declarant) of Units to which sixty percent of the votes are allocated, excluding the votes allocated to Units owned by the Declarant.

10.6.2 Fund Commingling The funds of the Master Association shall be kept in accounts in the name of the Master Association and shall not be commingled with the funds of any other Master Association, nor with the funds of any Manager of the Master Association or any other person responsible for the custody of such funds. Any reserve funds of the Master Association shall be kept in a segregated account and any transaction affecting such funds, including the issuance of checks, shall require the signature of at least two persons who are officers or directors of the Master Association.

10.7 Master Association as Trustee With respect to a third person dealing with the Master Association in the Master Association's capacity as a trustee, the existence of trust powers and their proper exercise by the Master Association may be assumed without inquiry. A third person is not bound to inquire whether the Master Association has power to act as trustee or is properly exercising trust powers. A third person, without actual knowledge that the Master Association is exceeding or improperly exercising its powers, is fully protected in dealing with the Master Association as if it possessed and properly exercised the powers it purports to exercise. A third person is not bound to assure the proper application of trust assets paid or delivered to the Master Association in its capacity as trustee.

10.8 Common Elements, Conveyance, Encumbrance

10.8.1 In General Portions of the Common Elements which are not necessary for the habitability of a Unit may be conveyed or subjected to a security interest by the Master Association if the Owners of Units to which at least eighty percent (80%) of the votes in the Master Association are allocated, including eighty percent (80%) of the votes allocated to Units not owned by Declarant or an Affiliate of Declarant, agree to that action, but all the Owners of Units to which any Limited Common Element is allocated must agree in order to convey that Limited Common Element or subject it to a security interest. Proceeds of the sale or financing are an asset of the Master Association.

10.8.2 Agreement An agreement to convey Common Elements or subject them to a security interest must be evidenced by the execution of an agreement, or ratifications thereof, in the same manner as a deed, by the requisite number of Unit Owners. The agreement must specify a date after which the agreement will be void unless recorded before that date. The agreement and all ratifications thereof must be recorded in every county in which a portion of the Condominium is situated and is effective only upon recording.

10.8.3 Conditions Precedent The Master Association, on behalf of the Unit Owners, may contract to convey Common Elements or subject them to a security interest, but the contract is not enforceable against the Master Association until approved pursuant to Sections 10.8.1 and 10.8.2. Thereafter, the Master Association has all powers necessary and appropriate to effect the conveyance or encumbrance, including the power to execute deeds or other instruments.

10.8.4 Void Transactions Any purported conveyance, encumbrance, or other voluntary transfer of Common Elements, unless made pursuant to this Section, is void.

10.8.5 Support Right A conveyance or encumbrance of Common Elements pursuant to this section shall not

deprive any Unit of its rights of access and support

10 8 6 Prior Encumbrances A conveyance or encumbrance of Common Elements pursuant to this section shall not affect the priority or validity of preexisting encumbrances either on Units (and their Allocated Interest in Common Elements) or on Common Elements

10 9 Termination of Contracts and Leases If entered into before the Board elected by the Unit Owners pursuant to Section 10 2 2 takes office, (1) any management contract, employment contract, or lease or recreational or parking areas or facilities, (2) any other contract or lease between the Master Association and a Declarant or an Affiliate of a Master Declaration, or (3) any contract or lease that is not bona fide or was unconscionable to the Unit Owners at the time entered into under the circumstances then prevailing may be terminated without penalty by the Master Association at any time after the Board elected by the Unit Owners pursuant to Section 10 2 2 takes office upon not less than ninety days' notice to the other party or within such lesser notice period provided for without penalty in the contract or lease. This Section does not apply to any lease, the termination of which would terminate the Condominium or reduce its size, unless the real property subject to that lease was included in the Condominium for the purpose of avoiding the right of the Master Association to terminate a lease under this Section

10 10 Governmentally Required Maintenance, etc Any insurance, maintenance, repair, replacement, alteration or other work, or the monitoring of such work, which is required by any governmental entity (including without limitation, federal, state or local government, public or private utility provider, local improvement district, or other governmental or quasi-governmental entity or agency), and regardless of whether such requirement is now or hereafter established, and whether imposed in connection with a building permit or other governmental approval or requirement, and whether involving land within public rights of way or subject to ownership or exclusive use of one owner, shall be the sole and exclusive responsibility of the Master Association (not the Declarant) and any cost incurred in connection therewith shall be a Common Expense. In furtherance of the generality of the foregoing, and not by way of limitation, such work shall include maintenance of any grass-lined swales and proper disposal of clippings, maintenance of wetland plantings, replacement of wetland and landscape plantings that die during any required maintenance period, maintenance of public and private storm sewer and retention systems. Declarant shall have the right, but not the obligation, to perform any such work if the Master Association fails to do so. The Master Association shall promptly upon demand reimburse Declarant for any costs directly or indirectly incurred by Declarant as a result of the Declarant performing, or the Master Association's failure to perform, such work (including any work necessary to obtain a release, or avoid a forfeiture, of any cash deposit or other bond made by Declarant)

10 11 Maintenance, Repair, Inspection and Warranty Procedure The Master Association shall defend, indemnify and hold Declarant harmless from any expense or claim arising from or relating to any Master Association's failure to promptly and properly maintain, repair or inspect the Condominium (or any part thereof), or the Master Association's failure to promptly and properly make a claim (or comply with dispute resolution procedures) under any warranty obtained or issued by Declarant. Declarant shall not be liable under any express or implied warranty (including without limitation the Washington Condominium Act implied warranties) for loss or damage which the Master Association or Owners have not taken timely action to minimize, or which is caused or made worse by a failure to properly and promptly maintain, repair, or inspect (including without limitation failure to fully comply with any inspection, monitoring, maintenance or repair checklist, manual or recommendation provided by Declarant (or a contractor, subcontractor or manufacturer) to the Master Association or Owners

10 12 Master Association Litigation

10 12 1 The term "Legal Proceedings" as used herein shall include litigation, administrative, mediation, arbitration or other proceedings in the name of the Master Association on behalf of itself or two or more Unit Owners on matters affecting the Condominium

10 12 2 The provisions of this Section 10 12 shall not apply to Legal Proceedings, as a result of which the Master Association could not be held responsible for costs of suit (including fees for attorneys, experts, witnesses, investigations and other costs of suit) in a aggregate amount of not more than \$5,000 (including without limitation fees contingent on a result), and which involve

(a) collection of delinquent regular or special Assessments, the enforcement of any Assessment lien, and interest and penalties in connection therewith,

(b) collection of monies owed to the Master Association, or recovery of damages caused to the Master Association or Condominium (or any part thereof), when the principal amount to be recovered involves less than \$25,000,

(c) enforcement of the provisions of the Master Declaration, Articles, Bylaws or rules and regulations of,

the Master Association,

(d) defense of a claim against the Master Association, when the principal amount to be recovered involves less than \$25,000, or

(e) the filing of a complaint, answer or other pleading for the limited purpose satisfying a statute of limitation deadline, avoiding entry of a default order or judgement, or preventing personal injury or serious harm to the Condominium (if such purpose is certified in good faith by the Master Association's attorney), but except for this limited purpose the other conditions of Section 10 12 must be satisfied

10 12 3 In order for the Master Association (or the Board acting on behalf of the Master Association) to institute, defend, or intervene in Legal Proceedings, and in order for the Master Association to become obligated in the aggregate sum in excess of \$5,000, to professionals, consultants or other experts in connection with Legal Proceedings, the following conditions must first be satisfied

(a) the Board has received a detailed written summary ("Litigation Summary") concerning the substance of the proceeding, including (i) agreements with lawyers, experts and consultants, issues involved, (ii) legal and factual basis of anticipated allegations on behalf of and against the Master Association, (iii) remedies to be sought on behalf of and against the Master Association, (iv) estimated amount to be sought on behalf of (and that could be sought from) the Master Association, (v) Master Association's estimated costs of suit (including fees for attorneys, experts, witnesses, investigations and other costs of suit) and any third-party costs of suit that the Master Association would pay if the Master Association does not prevail, (vi) reports and recommendations by any professionals or consultants retained by the Master Association (and by any opposing party, if available), (vii) any written demands or settlements offers made by an opposing party (the Board shall request that an opposing party make such demand and settlement offer), and (viii) any negative consequences that the Master Association, Condominium or Owners could suffer during such proceedings including required disclosures to prospective purchasers, impediments to Unit refinancing, or diminishment of Unit value

(b) if the proceeding will involve a claim against the Declarant (or Declarant's contractor, subcontractors, vendors, suppliers or other professionals) concerning construction defects or other condition of the Condominium, the Litigation Summary will also include a description of the construction defects or other condition (which shall also have been transmitted to the Declarant), and any written response from the Declarant concerning such defects (including any offer to settle by performing remedial work, payment of cash or a combination of both)

(c) A copy of the Litigation Summary shall be transmitted to all Owners, together with a written notice of the Owner's right of access to the Books and Records of the Master Association as provided in Section 10 6 1, and a written notice of a special Owners' meeting to be convened as provided in this Master Declaration, at which meeting the Declarant (and its representatives shall be entitled to attend and participate in on a non-voting basis)

(d) The Owners holding eighty percent (80%) of the total Master Association voting power must grant approval for the Master Association (or the Board acting on behalf of the Master Association) to institute, defend, or intervene in legal proceedings, provided, that under no circumstances may legal proceedings be commenced against Declarant (or Declarant's contractor, subcontractors, vendors, suppliers or other professionals) with respect to any alleged construction defect or other condition which Declarant has agreed in writing to remedy and is proceeding with reasonable due diligence to do so

Article 11

USE, REGULATION OF USES, ARCHITECTURAL UNIFORMITY

11 1 Residential Units The Units shall be used for Residential Purposes only, including sleeping, eating, food preparation for on-site consumption by occupants and guests, entertaining by occupants of personal guests and similar activities commonly conducted within a residential dwelling, without regard to whether the Unit Owner or occupant resides in the Unit as a primary or secondary personal residence, on an ownership, rental, lease or invitee basis, for such other reasonable ancillary purposes commonly associated with residential dwellings and otherwise in compliance with the Master Declaration and applicable law in residential dwellings, for the common social, recreational or other reasonable uses normally incident to such purposes, and for purposes of operating the Master Association and managing the Condominium

11 2 Vehicle Parking Restrictions Parking spaces (including parking spaces within Common Elements or Limited Common Element or Units, but excluding parking spaces within fully enclosed garages) are restricted to use for parking of operable passenger motor vehicles such as automobiles, light trucks and passenger vans, other personal property may be parked or kept therein only subject to the provisions of this section, and the rules and regulations of the Board. Boats, motor homes, trailers, campers or other recreational vehicles may not be stored in parking spaces (except parking spaces

within fully enclosed garages) The Board may require removal of any vehicle (and any other personal property) improperly stored in parking spaces. If the same is not removed, the Board shall cause removal at the risk and expense of the Owner thereof. Except as permitted by rules or regulation of the Board, personal property (other than an operable motor vehicle) may not be stored in a parking space (regardless of whether such space is a Common Element, Limited Common Element or part of a Unit), or such parking space be used for a purpose other than parking, to an extent that would prevent the parking therein of any motor vehicle regularly used by a person occupying a Unit for more than seven (7) days in any calendar month.

11.3 Common Drive and Walks Common drives, walks, corridors, stairways and other general Common Elements shall be used exclusively for normal transit and no obstructions and/or decorations or other items shall be placed thereon or therein except by express written consent of the Board.

11.4 Unit Maintenance Subject to the provisions of Section 11.5

11.4.1 Standard of Condition Each Unit Owner shall, at his sole expense, have the right and the duty to keep the interior and exterior of his Unit and its structures, improvements, equipment, appliances, and appurtenances in good order, condition and repair. Each Owner shall be responsible for the construction, alteration, maintenance, repair or replacement of any structures, improvements, plumbing fixtures, water heaters, fans, heating or other equipment, electrical fixtures or appliances which may be in or connected with his Unit.

11.4.2 Additional Rights and Duties Without limiting the generality of the foregoing, each Owner shall have the right, at his sole cost and expense, to construct, alter, maintain, repair, paint, paper, panel, plaster, tile, and finish the windows, window frames, doors, door frames and trim, and the ceilings, floors, and the perimeter walls and the bearing and non-bearing walls of any structures located within his Unit, and shall not permit or commit waste of his Unit or the Common Elements. Each Owner shall have the right to substitute new finished surfaces for the finished surfaces then existing on said ceilings, floors and walls. This Section shall not be construed as permitting any violation of any other provision of this Master Declaration or any interference with or damage to, or interference with the use and enjoyment of the Common Elements or of the other Units or any of them, nor shall it be construed to limit the powers or obligations of the Master Association or Board hereunder.

11.5 Alterations of Units Subject to the provisions of Section 11.4

11.5.1 Non-Structural A Unit Owner may 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 other Units or any portion of the Condominium,

11.5.2 Common Element A Unit Owner may not change the appearance of the Common Elements or the exterior appearance of a Unit without permission of the Master Association,

11.6 Limited Common Element Maintenance Limited Common Elements, as defined in Article 7, are for the sole and exclusive use of the Units for which they are reserved or assigned, provided, that the use, condition and appearance thereof and of Units may be regulated under provisions of the Bylaws, rules or this Master Declaration including the following:

11.6.1 Decisions by Board Decisions with respect to the standard of appearance and condition of Units and Limited Common Elements, and with respect to the necessity for, and manner of, caring for, maintaining, repairing, repainting or redecorating Units and Limited Common Elements ("Maintenance Work" herein), shall be made by the Board,

11.6.2 Performance of Work Performance of such Maintenance Work shall be carried out by the Owner,

11.6.3 Board Approval Owners may not, however, modify, paint, or otherwise decorate, or in any way alter their respective Units and Limited Common Elements without prior written approval of the Board,

11.6.4 Owner Pays Cost Unit Owners will be responsible for the cost of such Maintenance Work for the Units and Limited Common Elements reserved for or assigned to their Units,

11.6.5 Multiple Owners With respect to a Limited Common Element reserved for or assigned to more than one Unit for the mutual and joint use thereof, the cost of such Maintenance Work for such Limited Common Element shall be divided in equal shares among the Units for which such Limited Common Element is reserved,

11.7 Exterior Appearance In order to preserve a uniform exterior appearance to the Unit (and improvements therein), and the Common and Limited Common Elements visible to the public, the Board may regulate the painting,

