



201907170051

07/17/2019 11:24 AM Pages: 1 of 8 Fees: \$106.50
Skagit County Auditor

AFTER RECORDING RETURN TO:
SCOT S. SWANSON
BELCHER SWANSON LAW FIRM, PLLC
900 DUPONT STREET
BELLINGHAM, WA 98225

TITLE OF DOCUMENT:	SIXTH AMENDMENT TO DECLARATION FOR THE RIDGE AT MADDOX CREEK CONDOMINIUM
AF# OF AFFECTED DOCUMENT:	200309120223
GRANTOR:	THE RIDGE AT MADDOX CREEK CONDOMINIUM ASSOCIATION
GRANTEE:	THE RIDGE AT MADDOX CREEK CONDOMINIUM ASSOCIATION

SIXTH AMENDMENT TO DECLARATION FOR THE RIDGE AT MADDOX CREEK CONDOMINIUM

PURPOSE: TO CHANGE THE PERCENTAGE OF RENTAL UNITS PERMITTED AT ANY GIVEN TIME WITHIN THE RIDGE AT MADDOX CREEK CONDOMINIUM.

THIS AMENDMENT is made this 15th day of July, 2019, by The Ridge at Maddox Creek Condominium Association (the "Association").

WITNESSETH THAT:

WHEREAS, the Condominium Declaration establishing The Ridge at Maddox Creek Condominium (the "Condominium"), was recorded by its Declarant at Skagit County Auditor's File No. 200309120223 among the land records of Skagit County, Washington, along with a Survey Map and Plans, which were contemporaneously recorded at Auditor's File No. 200309120222; and

WHEREAS, the Declaration has been previously amended by a First Supplemental Declaration The Ridge at Maddox Creek Condominium Association recorded at Skagit County Auditor's File No. 200407150082, and by a Second Supplemental Declaration The Ridge at Maddox Creek Condominium Association recorded at Skagit County Auditor's File No. 200504060078 wherein a second phase was created along with The Ridge at Maddox Creek a Condominium, Phase 2, recorded at Skagit County Auditor's File No. 200504060078 as well as a Third Amendment to Declaration for the Ridge at Maddox Creek Condominium recorded at Skagit County Auditor's File No. 200806160175; and the Fourth Amendment to Declaration for the Ridge at Maddox Creek Condominium recorded at Skagit County Auditor's File No.

201003030089; and the Fifth Amendment to Declaration for the Ridge at Maddox Creek Condominium recorded at Skagit County Auditor's File No. 201907170050

WHEREAS, pursuant to RCW 64.34.264 and Article 17 of the Declaration, The Ridge at Maddox Creek Condominium may amend the Condominium Declaration from time to time;

WHEREAS, a rental restriction was included in the Fourth Amendment to Declaration for the Ridge at Maddox Creek Condominium recorded at Skagit County Auditor's File No. 201003030089 ("Fourth Amendment");

WHEREAS, The Fourth Amendment provided that no more than 30% of all Units of the Association may be rented at one time;

WHEREAS, the Association desires to amend the rental restriction to provide that only 20% of all the Units may be rented at one time and provide certain other provisions to regulate and control the rentals of Units; and

WHEREAS, to satisfy the requirements of Article 17 of the Declaration, the following occurred:

1. A majority of the Board of Directors of The Ridge at Maddox Creek Condominium voted to approve this Sixth Amendment to Declaration for The Ridge at Maddox Creek Condominium ("Sixth Amendment");
2. All Unit Owners were duly notified of this Sixth Amendment and were given an opportunity to review it before the Unit Owners approved it;
3. The Unit Owners have approved the Sixth Amendment.

NOW, THEREFORE, pursuant to and in compliance with RCW 64.34.264 and Article 17 of the Declaration, the following Article 21 is added to the Condominium Declaration for The Ridge at Maddox Creek Condominium:

ARTICLE 21

RENTAL RESTRICTION

21.1 Fourth Amendment Rental Restriction Replaced. The rental restriction provision in the Fourth Amendment, as well as any inconsistent language in the Condominium Declaration or Bylaws, are hereby revoked and replaced by the provisions herein. Any portion of the Fourth Amendment that is not related to the rental restriction remains in full force and effect.

21.2 Rental Defined and Regulated. The rental of a Unit shall be governed by the provisions of the Declaration, including, without limitation, this Article. As used in the Declaration the terms "Rent" or "Lease" shall mean the granting of a right to use or occupy a Unit for a specified 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

nor include joint ownership of a Unit by means of joint tenancy, tenancy-in-common or other forms of co-ownership and shall not include friends or acquaintances who share a Unit with an Owner, or member of an Owner's family (whether or not they share expenses); provided that for the purpose of the regulation of rentals as provided for herein, the terms above shall not refer to the occupancy of a unit by a tenant when the Unit is also occupied by the Owner.

21.3 No Transient Purposes. With the exception of an institutional lender in possession of a Unit following a default under a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Unit Owner shall be permitted to Lease his or her Unit for an initial period of less than ninety (90) days, but such tenancy may be renewed on a month to month basis. No Unit Owner may Lease less than an entire Unit.

21.4 Terms of Lease. All Leases of Units shall be in writing. Any Lease agreement shall be required and deemed to provide that the terms of the Lease be subject in all respect to the provisions of the governing documents, including the Declaration and Bylaws, and that any failure by the tenant to comply with such provisions shall be a default under the Lease, entitling the Association to enforce such provisions as a real party in interest. A Lease, as defined herein, shall include month-to-month rentals. Any tenant or subtenant of any portion of a Unit shall be deemed to have assumed all responsibilities of an Owner under this Declaration. The occupancy of a Unit and every Lease shall give the Association the same rights against the Tenant as it has against the Owner of the Unit, including, but not limited to, the right to collect and enforce collection of Assessments, impose fines for failure to comply with the governing documents, a suit for damages or injunctive relief and/or eviction of the Tenant for the commission of any criminal act or failure to comply with the governing documents or any decision of the Board. Notwithstanding anything in this Amendment, in no event shall it be determined that a landlord/tenant relationship exists between the Association and any tenant.

21.5 Governing Documents Provided to Tenant. Each Unit Owner who Rents or Leases a Unit in the Condominium to a Tenant or allows the occupancy of a Unit, shall provide that tenant and/or occupant with a copy of the governing documents, including the Declaration and Bylaws. 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 occupant, and charge the Owner an amount to be determined by the Board for each document provided. Unless otherwise set by the Board, the copying charge shall be no less than twenty five cents (\$0.25) for each page, and an administrative fee of no less than thirty dollars (\$30.00). The copying charge and administrative fee shall be collectible as a special assessment against the Unit and its Owner. The failure of the Unit Owner or Association to provide the tenant or occupant with a copy of the governing documents, does not waive the tenant's or occupant's duties to comply with the governing documents.

21.6 Percentage of Rentals. No Owner of a Unit may Lease or Rent their Unit if Leasing or Renting of the Unit would result in more than twenty percent (20%) of the Units within the Condominium being Rented or Leased; provided, however, that the Board may, grant waivers of this provision for up to one (1) year, as described below. A written proposal must be submitted to the Board of Directors for approval of conversion of a Unit to a Lease basis no less than thirty

(30) days prior to the date of the proposed conversion. The Board shall also be notified of the names of all tenants or occupants of any Unit being Rented or Leased.

21.7 Exemption for Existing Rental Units. This Article 21 Rental Restrictions, shall not apply to the current Owner of any Unit that is being Rented or Leased as of the effective date of this Amendment, as reflected on the list of such Units attached to this Amendment as Exhibit "A", so long as that Unit Owner owns the Unit or until that Owner becomes an occupant of the Unit.

21.8 Authorization to Grant Waivers. The Board may grant waivers of the restriction on the Rental or Leasing of Units found in Section 21.6 above, for up to one (1) year at a time or until the Unit is sold, whichever even occurs first (a "Waiver"). The Waiver may be granted only in the case of substantial financial or personal hardship, which renders the Owner unable to reside in his or her Unit. Some examples include but are not limited to, illness, death, loss of income, or other substantial reason (which prevents the Unit Owner from occupying the Premises, personally). The Board may grant said Waivers at its sole and exclusive discretion. Provided, however, that no Waivers shall be permitted if at the time requests for the same, the total number of Units occupied by tenants (including the Units subject to such request) shall exceed thirty-seven point five percent (37.5%) of the total number of Units in the Condominium.

21.9 Rental Incidental to Bona Fide Sale of Unit. A Unit may be rented by its Owner in conjunction with a *bona fide* sale of such Unit for a period of not more than three (3) months. The foregoing includes rental to a purchaser of the Unit prior to closing, and a "lease-back" of the Unit following closing.

21.10 Selling Owner Responsible for Compliance with Rental Restriction. Each Owner shall be responsible for advising any purchaser of the Unit of the existence of these restrictions on rental Units, and may be held liable to the Association for any damages, costs, and/or expenses incurred by the Association as a result of such failure.

21.11 Exemption for Mortgagee in Possession. A Mortgagee that acquires fee title to a Unit may Lease its Unit and shall, in so doing, comply with any rules or regulations adopted pursuant to this Declaration.

21.12 Use of Waiting List. If a Unit Owner that is not exempt from this restriction on Leasing under Section 21.7 desires to Lease the Unit at a time when twenty percent (20%) or more Units are already being Leased, the Unit Owner may apply for a Waiver or place the Unit on a first-come, first-served waiting list to be used when fewer than twenty percent (20%) of the Units are being Leased. An Owner who does not intend to Lease the Owner's Unit at the end of an existing Lease term shall promptly notify the Board in writing that, as of a date specified in such notification, the Unit will cease to be Leased. The Association shall offer the Owner of the Unit next in line on the waiting list a reasonable opportunity to Lease that Owner's Unit. If that Owner (1) waives its right to Lease at that time by written notice to the Board or (2) fails to Lease that Owner's Unit within a reasonable time as set by the Board, then the Owner's name shall be placed at the bottom of the waiting list. This offer procedure shall then be repeated for the next Owner on the waiting list and shall be repeated to whom the offer is extended Leases the Owner's Unit

within the reasonable time set by the Board. In addition, the Board may, by resolution, establish a lottery or other system to accommodate requests by Unit Owners desiring to change their Units to rental Units when the maximum number of rental Units under Section 21.6 hereof has been attained. Provided, if no resolution is adopted by the Board the use of the waiting list herein will be done.

21.13 Board Authorized to Regulate Leasing. The Board is hereby authorized to adopt reasonable rules and regulations relating to and governing the aspects of the Leasing of Units, so as to (1) minimize or manage the impact that Leasing has upon the effective and efficient management of the Association and (2) carry out the purposes expressed in the Declaration. Rules and regulations which the Board is hereby authorized to create and enforce include, without limitation: (1) defining the meaning(s) of terms contained in the Declaration, Bylaws and/or rules and regulations relating to the Leasing of Units and (2) requiring tenant screening, including without limitation, establishing the nature of screening required, provided however, that any such tenant screening rule shall require that Owner and not the Association shall be responsible for any required tenant screening and provide that the Owner certified to the Association that any required tenant-screening has been performed. Any rules or regulations must be consistent with the Declaration and meet all requirements for leasing for condominium projects established by the Federal National Mortgage Association.

21.14 Concentration of Ownership. There is a limitation on number of Units that may be owned by one individual, with the exception of the grandfathering provision below. No Owner shall own more than two (2) Units within the Condominium. This Section shall not apply to any current Owner of more than two Units in the Condominium as of the effective date of this Amendment. Provided, such an Owner may not own any additional Units beyond the Units owned as of the date of this Amendment without complying with the terms hereof. This concentration of ownership of Units restriction applies to an individual or a single entity, such as an investor group, partnership, limited liability company or corporation, as well as any affiliates thereof as defined in the Washington Condominium Act.

21.15 Rent to Association. If a Unit is leased by its Owner, and that Owner is more than thirty (30) days delinquent in payment of Assessments or other costs to the Association, the Board may collect, and the tenant shall pay over to the Board, so much of the rent for that Unit as is required to pay any amounts due the Association. The tenant shall not have the right to question payment over to the Board to the extent such rent is paid to the Association, that payment will discharge the tenants duty of payment of rent to the Owner. It will not discharge the liability of the Owner, a purchaser, and the Unit for Assessments and charges, and it will not operate as an approval of the lease. The Board may not exercise this power where a receiver has been appointed for the Unit or its Owner in derogation of any rights which a mortgagee the Unit may have to the rent.

21.16 Violation. If any tenant or occupant of a Unit violates or permits the violation by his guests and invitees of any provision of the governing documents and the Board determines that such violations have been repeated and that a prior notice to cease has been given, the Board may give notice to the tenant or occupant of the Unit and the Owner thereof to forthwith cease such violations; if the violation is there after repeated, the Board shall have the authority, on behalf and

