

AFTER RECORDING RETURN TO:

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**TENTH AMENDMENT TO DECLARATION FOR
SOMERSET CREEK, A CONDOMINIUM**

Grantor: SOMERSET CREEK CONDOMINIUM ASSOCIATION, a Washington non-profit corporation

Grantee: SOMERSET CREEK, A CONDOMINIUM

Abbreviated Legal Description: Somerset Creek, A Condominium, with Declaration recorded under King County Recording No. 198507110922.

Tax Parcel ID #s: 7856480 (Master Tax Parcel Number)

Reference # (if applicable): 198507110922; 198509231107; 198512231062; 198601170433; 198603030924; 198609050902; 198610220798; 198611051388; 198612031460; 198612031462.

DEPARTMENT OF ASSESSMENTS

Examined and approved this 17th day of MAY, 2012

LLYD MARA

Assessor

Karen T. Kase

Deputy Assessor

**TENTH AMENDMENT TO DECLARATION FOR
SOMERSET CREEK, A CONDOMINIUM**

The Declarant of Somerset Creek, A Condominium (the "Condominium"), created the Condominium through recording a Condominium Declaration (the "Declaration") filed under King County Recording No. 198507110922. The Declaration was amended nine (9) times under King County Recording Nos. 198509231107; 198512231062; 198601170433; 198603030924; 198609050902; 198610220798; 198611051388; 198612031460; and 198612031462. The Survey Map and Plans were filed under King County Recording No. 198507110921 and were amended under Recording Nos. 198509231106; 198512231061; 198601170432; 198603030923; 198609050901; 198610220797; 198611051387; 198612031459; and 198612031461.

To satisfy requirements of Declaration Article 21:

1. A majority of the Board of Directors of Somerset Creek Condominium Association (the "Association") voted to submit this Amendment to Declaration ("the Amendment") to the Owners for their approval;
2. All Owners were duly notified of this proposed Amendment and were given a copy of it before the Owners approved it;
3. Not less than seventy-five percent (75%) of the Owners, by their written consent, have approved the Amendment; and
4. After proper notice, not less than seventy-five percent (75%) of all Eligible Mortgagees, if any, have consented either in writing, or by operation of Declaration Section 21.1, to amend the Declaration as stated below.

NOW, THEREFORE, the President and the Secretary of the Association certify the Declaration to have been amended in the following particulars:

A. Article 1, Section 1.9.4 of the Declaration is hereby replaced in its entirety by the following amended Section 1.9.4:

1.9.4 Apartment Owner or Owner shall mean the person or persons owning a Unit in the kind of estate specified herein, together with an undivided interest in a like estate of the Common Areas in the percentages specified herein. Owner does not include any person who has an interest in a Unit solely as security for an obligation. An Owner is the person(s) or entity identified in the recorded conveyance deed as the grantee(s) of the fee title interest in the Unit, except that the vendee, not the vendor, is the Owner under a real estate contract.

B. Article 1, Section 1.9 of the Declaration is hereby amended to add the following new defined terms:

1.9.27 Assessment means all sums chargeable by the Association against a Unit and its Owner, including, without limitation (a) general and special Assessments for Common Expenses, charges, and fines imposed by the Association, (b) interest and late charges on any delinquent account, (c) costs of collection, including reasonable attorney's fees, incurred by the Association in connection with the collection of a delinquent Owner's account, (d) costs and attorney's fees incurred by the Association in connection with the enforcement of the Governing Documents, and (e) all other sums payable by an Owner to the Association as provided in the Governing Documents, unless the context clearly indicates otherwise.

1.9.28 Governing Documents means the Declaration, the Articles of Incorporation, the Bylaws, all properly adopted rules, policies, resolutions, and decisions, and all future amendments to any of these documents.

1.9.29 Occupant means anyone who (1) occupies a Unit as a permanent residence or who (2) stays overnight in any Unit more than fourteen (14) days in any calendar month or more than sixty (60) days in any calendar year.

1.9.30 Related Party means a person who is related to the Owner by blood, marriage, domestic partnership, or lawful adoption. It includes an Owner's spouse/domestic partner, and the Owner's and/or spouse/domestic partner's parent, parent-in-law, sibling, sibling-in-law, or lineal descendant.

1.9.31 Tenant means a person who is Leasing a Unit. Synonyms for "Tenant" include "Renter" and "Lessee."

1.9.32 Unit is synonymous with "Apartment" as that term is used in the Declaration.

C. Article 1, Section 1.9.25, of the Declaration is hereby replaced in its entirety by the following amended Section 1.9.25.

1.9.25 Leasing a Unit means (1) granting a right to use or occupy a Unit in exchange for receiving money or other goods or services of value and (2) allowing sole occupancy of a Unit, regardless of whether money or other goods or services of value are received in exchange. Co-ownership of a Unit is not Leasing. Co-habitation of a Unit with its Owner is not Leasing.

Allowing a Related Party to occupy a Unit is not Leasing. "Lease" and "Rent", when used as verbs, are synonymous.

D. Article 11, Section 11.14, of the Declaration is hereby replaced in its entirety by the following amended Section 11.14.

11.14 Rental Units. The Leasing of a Unit by its Owner shall be subject to the following provisions:

11.14.1 No Transient Purposes. With the exception of a lender in possession of a Unit following a default under a Mortgage, a Foreclosure proceeding or any deed or other arrangement in lieu of a Foreclosure, no Owner shall be permitted to Lease its Unit for any period less than thirty (30) consecutive days. A Lease of a Unit shall have a minimum initial term of six (6) months.

11.14.2 Entire Unit. No Owner may Lease less than an entire Unit.

11.14.3 Timesharing Prohibited. No Unit may be subjected to or included in any timeshare program, whether in the nature of a "right to use" club or the sale of fractional fee interests.

11.14.4 Written Leases. All Leases of Units shall be in writing and shall be subject to the Governing Documents, such that a default by the Tenant in complying with the Governing Documents constitutes a default under the Lease.

11.14.5 Rent Paid 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 hereunder. The Tenant shall not have the right to question payment to the Board, and such payment will discharge the Tenant's duty of payment to the Owner to the extent such rent is paid to the Association, but will not discharge the liability of any Owner. The Board shall not exercise this power where a receiver has been appointed with respect to the Unit or its Owner, or in derogation of any rights which a Mortgagee of the Unit may have with respect to such rents.

11.14.6 Declaration and Rules Binding Upon Tenants. Each and every term, covenant, provision and restriction relating to the use of the Property that is imposed upon a Owner by this Declaration or any Governing Document shall also apply to such Owner's Tenants and other Occupants of such Owner's Unit.

11.14.7 Limitations on Leasing.

11.14.7.1 Purpose. This Section's Leasing framework strikes a balance between Owner and Tenant occupancies in order to:

1. Preserve buyer access to favorable purchase money loans that are not available for financing purchase of a unit in a condominium which has a significant number of investor-owned units;
2. Promote a sense of community among Owners, derived from a common belief that this condominium is a home they share;
3. Preserve the Owners' ability to self-govern, by maintaining a larger pool of Owner-occupants, for whom service on the Board or a committee is less burdensome, since they reside where official meetings of the Board and committees will typically be held; and
4. Preserve the self-regulatory benefits of a shared understanding of, and commitment to, the duties which the Governing Documents impose.

11.14.7.2 Restriction On Leasing and On Owning Multiple Units.

11.14.7.2.1 No Owner shall concurrently own more than three (3) Units. No Owner shall concurrently Lease more than one (1) Unit.

11.14.7.2.2 A Unit shall not be Leased, subject to (i) specific exemptions set forth in Section 11.14.7.4 below, (ii) any waivers granted under Section 11.14.7.3 below, or (iii) this specific exception: An Owner may Lease the Owner's Unit if the total number of Leased Units does not exceed ten (10) Units *and* the Unit is not Ineligible to Lease.

11.14.7.2.3 "Ineligible to Lease" means a Unit shall not, for reason(s) stated here, be Leased during the duration of its Ineligibility.

11.14.7.2.4 A Unit acquired after the date of recording of this Amendment to Declaration (the "Effective Date") is Ineligible to Lease for one year from the date the Owner first acquired fee title to the Unit.

11.14.7.2.5 A Unit is also Ineligible to Lease for one year from the date the Leasing Window on the Unit has closed. ("Leasing Window" means a four year period of time during which Leasing of a Unit can occur. The Leasing Window on a Unit opens on the Lease commencement date of the first Lease the Owner enters into after the Effective

Date. The Leasing Window on a Unit closes on the fourth anniversary of said Lease commencement date. The Leasing Window on a Unit re-opens at the conclusion of any one year period of Ineligibility to Lease.)

11.14.7.3 Authorization To Grant Waivers. The Board may grant waivers of this Section 11.14.7.2 Restriction On Leasing for up to one year at a time ("a Waiver") where:

1. The Section 11.14.7.2 Restriction On Leasing results in a substantial hardship, not of the Owner's own making, such that a waiver is warranted in view of the Owner's particular circumstances; or
2. An Owner's particular circumstances result in the Owner's temporary absence from a Unit.

11.14.7.4 Exemptions. This Section 11.14.7.2 Restriction On Leasing shall not apply to the current Owner of any Unit that is being Leased on the Effective Date, as reflected on the list of such Units attached to this Amendment as Exhibit A, nor shall it apply to any Mortgagee that acquires fee title to a Unit through foreclosure or a deed in lieu of foreclosure, so long as that Owner or Mortgagee owns the Unit or until that Owner or Mortgagee becomes an Occupant of the Unit.

11.14.7.5 Use Of Waiting List. If an Owner of a Unit that is not exempt from this Restriction On Leasing under Section 11.14.7.4 desires to Lease the Unit at a time when ten (10) or more Units are being Leased, the Owner may place the Unit on a first-come, first-served waiting list to be used when fewer than ten (10) Units are being Leased. An Owner who is Leasing the Owner's Unit shall, upon a Tenant's surrender of occupancy of the Unit at the end of the Lease, have up to ninety (90) days from the date occupancy was surrendered within which to commence a Lease of the Unit to a different Tenant. (If the Owner does not intend to Lease the Unit to a different Tenant, the Owner shall promptly notify the Board in writing that, as of a date specified in such notification, the Unit will cease to be Leased.) If the Owner fails to Lease that Unit to a Tenant within the ninety (90) day period, then the Owner's name shall be placed at the bottom of the waiting list. The Association shall then offer the Owner of the Unit next in line on the waiting list ninety (90) days 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 the ninety (90) day period, then that 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 until an Owner to whom the offer is extended Leases the Owner's Unit within the allowed ninety (90) day period.

11.14.7.6 Board Authorized To Regulate Leasing. The Board may adopt reasonable rules and regulations related to Leasing and to mitigating impacts Leasing may cause. The Board's rulemaking authority includes, without limitation, authority to create rules that:

1. Define what undefined words and phrases used in the Government Documents actually mean in the context of Leasing related activity;
2. Establish a reasonable fee, payable by an Owner prior to a Unit Occupant's move-in, to cover move-in and/or move-out damage to the Common Elements and facilities;
3. Require Tenant-screening, including, without limitation, establishing the nature of screening required, provided, however, that any such Tenant-screening rule shall (1) require that the Owner, and not the Association, shall be responsible for any required Tenant-screening and (2) provide that the Owner certify to the Association that any required Tenant-screening has been performed, but the Owner shall not be required to submit the results of such screening to the Association; and
4. Establish a criteria for Board use in acting on Waiver requests made under Section 11.14.7.3.

E. Article 16 of the Declaration is hereby replaced with this restated and amended Article 16.

ARTICLE 16.

ENFORCEMENT OF DECLARATION, BYLAWS AND RULES AND REGULATIONS.

16.1 Rights of Action. Each Owner, the Board and the Association shall comply strictly with the provisions of the Governing Documents and with all decisions adopted pursuant to the Governing Documents. Failure to comply shall be grounds for an action to recover sums due for damages, or injunctive relief, or both, maintainable by the Association (through action by the Board), or by the aggrieved Owner on his own as further provided in Section 16.3 below. The Association is further entitled to recover from an Owner who has failed to comply with the Governing Documents all costs and attorneys' fees the Association has incurred in pursuit of restoring the Owner's compliance, whether or not the Association's pursuit of enforcement resulted in commencement of any lawsuit, and including any costs and reasonable attorneys' fees incurred in an appeal of, and in an enforcement of, any judgment entered in the lawsuit.

16.2 Failure of Board to Insist on Strict Performance No Waiver.

16.2.1 The Board or Managing Agent shall exercise its business judgment in determining what actions to take when enforcing the Governing Documents and enforcing a Board Decision or a Hearing Board Decision.

16.2.2 The failure of the Board, Managing Agent or Owner, in any one or more instances, to insist upon the strict performance of any of the terms, covenants, conditions or restrictions of the Governing Documents, or to exercise any right or option contained in the Governing Documents, or to serve any notice or to institute any action, shall not operate as a waiver or relinquishment for the future of that term, covenant, condition or restriction. There shall be no waiver of any provision of the Governing Documents by the Board unless the Board expressly makes such a waiver, in writing and signed by the appropriate officers on behalf of the Board.

16.2.3 Receipt of any Assessment payment from an Owner by the Board or Managing Agent, with knowledge of any breach of the Governing Documents, shall not be deemed a waiver of that breach.

16.3 Judicial Enforcement. The Governing Documents may be judicially enforced. Judicial enforcement includes declaratory relief, injunctive relief, award of damages, and any other legal or equitable remedy available to enforce a right or to remedy a wrong. Injunctive relief shall be available without a showing of irreparable harm or of the absence of a remedy at law. Upon a proper showing that the presence of an Occupant poses an unreasonable risk of injury to others or material damage to the Condominium, the Association may seek, and a court may grant, injunctive relief preventing that Occupant's continued occupancy of the Unit and presence at the Condominium. An enforcement action may be brought by the Association. The Board may, in its sole discretion, exercise its business judgment to determine what actions, if any, it will take to judicially enforce the Governing Documents. An Owner may bring an enforcement action if, after demand by the Owner, the Board fails or declines to bring the action. The prevailing party in an enforcement action shall be awarded its costs including reasonable attorneys' fees.

16.4 Tenants.

16.4.1 Liability. An Owner is responsible for the conduct of its Tenant, Occupant, Related Party, guest, invitee and pet. An Owner is liable to the Association for damage and expenses the Association incurs as the result of misconduct by the Owner, Tenant, Occupant,

Related Party, family, guest, invitee or pet. The charges for repair or replacement of any damage to the Condominium, the Common Elements, the Limited Common Elements or any Unit in excess of actual insurance proceeds received by, or to be paid to, the Association under the Association's policies of insurance and the expenses the Association incurs as the result of any such misconduct shall (1) be specially assessed to the Unit, (2) be a lien upon the Unit, and (3) be a personal obligation of the Unit Owner and of the Tenant or Occupant who engaged in the misconduct.

16.4.2 Eviction. A Tenant or Non-Owner Occupant who, after notice and an opportunity to be heard by the Board, is determined to have violated the Governing Documents on two or more occasions may be evicted, as provided below:

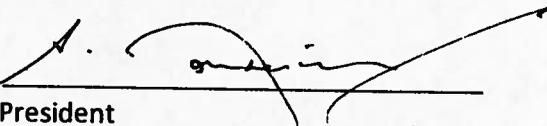
1. When the Board has made a determination as described in Section 16.4.1 above, the Board shall notify the Tenant or Non-Owner Occupant, and the Owner, of the determination and demand that the violations described in the determination be remedied within ten (10) days. If the second or subsequent violation has not been remedied within the ten (10) days, the Owner shall promptly commence eviction proceedings.
2. If evicting a Tenant, the Owner shall do so through diligent prosecution of an unlawful detainer action. If evicting a Non-Owner Occupant, the Owner shall give notice terminating the tenancy-at-will and give the Non-Owner Occupant thirty (30) days to permanently vacate the Unit, after which time any entry by the Non-Owner Occupant into the Unit or on to the Property shall be a trespass.
3. If the Owner fails to commence eviction proceedings within thirty (30) days of Owner's actual or constructive receipt of the demand described in Section 16.4.2.1 above, then the Association shall have the right, but not the duty, to evict the Tenant or Non-Owner Occupant as the Owner's attorney-in-fact. All Owners hereby irrevocably appoint the Association as their attorney-in-fact for purposes of performing evictions described in this Section 16.4.2.
4. Eviction by the Board shall be at the Owner's expense, including all attorney fees actually incurred. The costs of the action, including attorneys' fees, shall be a personal obligation of the Owner and of the Tenant or Non-Owner Occupant and shall also be an Assessment secured by a lien on the Unit.

16.5 Recovery of Attorney's Fees and Costs. In addition to any attorneys' fees and costs recoverable in an action brought under Article 16, the Association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the enforcement of any provision in the Governing Documents, whether or not the enforcement activities result in suit being commenced or prosecuted to judgment. In addition, the prevailing party shall be entitled to recover costs and reasonable attorneys' fees on appeal and in the enforcement of a judgment, whether in the State of Washington or a sister state. All such costs and attorneys' fees shall constitute an Assessment.

16.6 Remedies Cumulative. The remedies provided in Article 16 are cumulative. The Board may pursue them, and any other remedies which may be available under law or elsewhere in the Governing Documents, concurrently, separately, or in any order.

F. This Amendment to the Declaration shall take effect upon recording. The terms of this Amendment to the Declaration shall control over and implicitly amend any inconsistent provision of the Declaration or the Bylaws of the Association. Except as amended by this instrument, the Declaration shall remain in full force and effect.

SOMERSET CONDOMINIUM ASSOCIATION

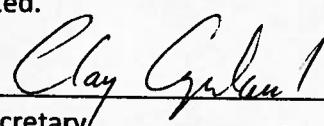
By: 

President

Print Name: ARNOLD MANNERLING

Date: 4/17/12

ATTEST: The above amendment was properly adopted.

By: 

Secretary

Print Name: Clay Copeland

Date: 4/13/2012

STATE OF WASHINGTON

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)ss.

COUNTY OF KING

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I certify that I know or have satisfactory evidence that Arnold Mantering is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as an officer of Somerset Condominium Association and as the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 17th day of April, 2012.



Cathy S. Lemon

Notary Public in and for the State of Washington.

My Appointment expires Dec. 11, 2015

Print/type name Cathy S. Lemon

STATE OF WASHINGTON

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COUNTY OF KING

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I certify that I know or have satisfactory evidence that Clay Copeland is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as an officer of Somerset Condominium Association and as the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 13th day of April, 2012.



Cathy S. Lemon
Notary Public in and for the State of Washington.

My Appointment expires Dec. 11, 2015

Print/type name Cathy Lemon

Exhibit "A"

To the best of the Board of Director's knowledge, the following Units in Somerset Creek were being Leased as of the Effective Date*:

3
4
5
6
19
34
42
45
48

*(This list is intended to reflect Units that were in fact being Leased at the time this Amendment was recorded. To the best of the Board's knowledge, the listed Units were being Leased at the time of recording. Since Section 11.14.7.4 exempts Units that are actually being Leased at the time of recording, the actual Leasing status of the Unit as of the Effective Date controls over the inclusion of the Unit on this Exhibit. If a Unit listed on this Exhibit was not in fact being Leased as of the Effective date, the Section 11.14.7.4 exemption from the Section 11.14.7.2 Restriction On Leasing will not apply to that Unit.)