

# 2140753 Mason County WA

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LAKE CUSHMAN

After Recording Return To:  
Lake Cushman Maintenance Co.  
3740 N. Lake Cushman Road  
Hoodsport, WA 98548

**Document Title:**

Lake Cushman Maintenance Co. Board Resolution 01-19 Adopting Policy & Procedure for Covenant Changes. *Supersedes the Covenant Change Policy adopted on 2/12/11 (unrecorded).*

**Grantor:**

Lake Cushman Maintenance Co.

**Grantees:**

Public

**Legal Description:**

Plat of Lake Cushman Divisions 1 through 19; Eastside 1 Plat; Westside 1 Plat; Westside 2 Plat, Westside 3 Plat



**LAKE CUSHMAN MAINTENANCE COMPANY**

*Homeowners Association for The Lake Cushman Development*

3740 N Lake Cushman Road, Hoodspport, WA 98548-9711

(360) 877-5233 FAX: (360) 877- 6713

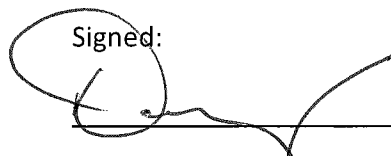
TOLL FREE: 1-888-777-6443

LAKE CUSHMAN MAINTENANCE COMPANY  
BOARD RESOLUTION NO. 01-19  
ADOPTING POLICY & PROCEDURE  
FOR COVENANT CHANGES

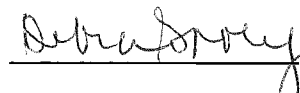
BACKGROUND: The LCMC Board of Directors recognizes that the Covenants for the Divisions in the Lake Cushman Development do not clearly define the process for making changes to the Covenants and wishes to provide guidance to the Lessees.

NOW, THEREFORE BE IT RESOLVED, that the Lake Cushman Maintenance Company Board of Directors hereby adopts the attached Policy & Procedure for Covenant Changes.

ADOPTED by the Lake Cushman Maintenance Company Board of Directors on this 12<sup>th</sup> day of January 2019.

Signed:  
  
\_\_\_\_\_  
Dave Curley, President

1-12-2019  
Date

  
\_\_\_\_\_  
Debra Snoey, Secretary

1-12-19  
Date



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### LAKE CUSHMAN MAINTENANCE COMPANY POLICY & PROCEDURE FOR COVENANT CHANGES

#### Introduction:

This document provides a procedure that the Lake Cushman Maintenance Company (LCMC) Board of Directors (Board) recommends be used by interested parties to modify protective covenants. The procedure has been reviewed by LCMC's legal counsel to assure it meets the requirements specified in the protective covenants for LCMC properties, as well as having certain other provisions needed to validate results. It is not mandatory that this procedure be followed, but LCMC reserves the right to refuse enforcement of covenants that have been n modified using alternative procedures.

#### Cancellation

LCMC Covenant Change Procedure approved 2/12/2011 is hereby cancelled.

#### General Procedure

To modify protective covenants the procedure identified in the covenants, themselves, must be used. Currently, all covenants in the Lake Cushman Development have the same description of what has to be done to modify them. What's required is the recording of an "instrument" containing the signatures of over half of the then current lessees, who support the proposed change.

#### Instrument of Change

The instrument of change may be a petition-styled document made available for lessees (or a legally authorized agent) to sign, or a ballot mailed to the address of record for the lessee of each affected lot. In either case, the instrument must specify the lot number the signature applies to, the typed name of the lessee, and date signed. The additional information is needed for the validation process. For purposes of this procedure, "voting" means signing the instrument of change indicating approval of the change. Unlike conventional voting, there is no provision on the instrument for rejecting the proposal. Lessees don't sign or return the ballot instrument if they don't want to support the change.



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### Lots to be included in the ballot

Each residential lot in a division with a current lessee will be included in the balloting process. Lessees with multiple lots will vote each lot leased, whether it's a full-fee or contiguous lot, and whether they're a member in good standing or not. For lots with multiple lessees, only one signature will be allowed. It could be anybody indicated in LCMC's records as being a party to the lease. It would be up to the lessees involved to determine who should make the decision for the group. The LCMC would not enter into any determination of who that should be. For lots that have been repossessed by the Lake Cushman Company (LCC), LCC is considered the lessee. For lots that comprise the roads, greenbelts, parks, golf course, and other common areas in a division, LCMC is the considered the current lessee. LCC will always be included in the balloting process for lots currently in their possession, unless they have provided direction to the contrary. The LCMC Board will decide on a case basis whether it wants any or all of the common space lots in a division included in the balloting process. The Board will consider:

1. How the lots are directly affected by the proposed change.
2. How the proposed change affects the wellbeing of the community.
3. Whether the change adds or detracts from equitable treatment for similar properties.
4. Enforceability of the proposed change.

If the Board chooses to include any or all of the common space lots in the balloting for a particular division, those lots will be added to the ballot instrument, and the Board will vote to determine if the Board supports the proposed change.

LCMC Support. The Board will also decide how much support the Support Services Staff is authorized to provide to ballot sponsors at LCMC expense. In all cases, the Support Services Staff will provide listings of lots by division, and lessee contact information. Other support may include posting information on the LCMC website, ballot preparation, reproduction, mailing, ballot handling, storage, and recording of results. In no case will LCMC personnel campaign for approval or disapproval of proposed change on company time. Board of Directors are expected to make it clear that any comment they may make



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for or against a proposed covenant change is their personal opinion, and not that of the Board.

Timeline for collecting signatures. The covenants contain no limit on how much time may be used for collecting signatures. The Support Services Staff will provide a list of current lessees as a starting point for collecting signatures. If signatures are collected on a petition-styled document, it can be done over an extended period of time. The sponsor could request an updated list of lessees from time-to-time to assist in making sure they had enough "then current" signatures for approval. If done by mail-in ballot, the sponsor will determine when they want to see ballots returned. In either case, signatures may continue to be collected until the ballots are turned over to the Teller Committee for validation.

Validating outcome. When the sponsor believes they had enough affirmative signatures to pass the proposed change, the Teller Committee will convene a meeting to validate the results. The Support Services staff will provide a listing of then current owners. The teller committee will look at the name of each person that signed the ballot document to verify that they are a current lessee. Assistance will be sought from the Support services Staff for properties with multiple owners. The Teller Committee will reject names from anybody that they cannot verify to be either a current owner, or someone legally permitted to sign from the then current owner(s). The Teller committee will then determine if over 50% of the then current lessees agreed to the proposed change. Those results will be documented in a letter signed by the committee chairperson, addressed to the ballot sponsor, with copies to the LCMC Architectural Committee, Board President, and LCMC General Manager.

Revising Title and Documenting Revision.

If the change was approved, the covenants will be retitled "Modified Protective Covenants for Division (#)", and the following paragraph will be added to the end of the document:

"These Protective Covenants were modified effective (month, day, year) pursuant to the procedure set forth in these covenants and remain in effect for the period



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these covenants are in effect, unless subsequently modified. Records of this revision are available (indicate location)".

Note: If documentation is not kept by the LCMC, the change sponsor is responsible for assuring records are kept in a safe location and can be produced upon request to verify that an appropriate process was used to change the covenants. Inability to produce the records upon request may be grounds for LCMC to refuse enforcement of the provisions contained in the change.

Recording. Unless otherwise agreed to by the Board, the ballot sponsor is responsible for recording the documents which affirm the change was approved, and mailing copies to each lot owner in the division affected, the Lake Cushman Company, Title companies doing business in the area, and principal realtors doing business in the area. What's recorded must include a description of the proposed change; the signature, typed name, date signed, and lot number for each lessee approving the change; and a copy of the Teller Committee's validation letter.