

****HEAT PUMP INSTALLATION AND OWNER RESPONSIBILITY AGREEMENT****

July 2026

This Heat Pump Installation and Owner Responsibility Agreement (“Agreement”) is made between the Lake Ballinger Estates Owners Association (“Association”) and the Owner(s) (_____ print name(s) of Unit# _____).

1. STATUTORY AND DECLARATION BACKGROUND

1.1 RCW 64.90.580 – Heat Pumps

Owner acknowledges that RCW 64.90.580 applies to a unit owner’s installation of a heat pump serving their unit and makes the owner responsible for all costs of installation, maintenance, repair, replacement, removal, and for any damage to units, common elements, or limited common elements caused by or resulting from the installation or operation of, and any work on the heat pump and related components.

1.2 Declaration – Common Elements and High-Risk Components

Owner acknowledges that the following provisions of the Amended and Restated Declaration for Lake Ballinger Estates (“Declaration”) apply:

- **Common Areas** (also referred to as “common elements” in applicable statutes and this Agreement) – All portions of the property other than the Units, including roofs, structural components, utility installations, pipes and conduits, and attics, are Common Areas. (Article 1.9.9; Article 6.1).
- **Limited Common Areas** (also referred to as “limited common elements” in applicable statutes and this Agreement) – Portions of the Common Areas reserved for the exclusive use of one or more but fewer than all Units. (Article 1.9.27; Article 7.1)
- **Interior Unit and High-Risk Components** – Owners must maintain, repair, and replace interior equipment and high-risk components (including but not limited to all hoses, pipes, supply lines, and connections within the Unit serving fixtures and equipment). (Articles 11.5 and 11.6)
- **Liability for Uninsured Amounts** – Owners may be liable for uninsured amounts and deductibles where damage arises from components the Owner must maintain. (Article 13.3)

2. PERMISSION TO MODIFY COMMON AND LIMITED COMMON ELEMENTS

2.1 Grant of Permission (RCW 64.90.580(1)(c); Declaration Arts. 6, 7 & 11.12)

Subject to the terms of this Agreement, the Association grants Owner permission to install, operate, maintain, repair, replace, and remove one heat-pump system and related equipment (“Equipment”) in and on the following areas (collectively, the “Permitted Installation Areas”):

- The fireplace chase serving the Unit;
- The exterior wall of the Unit's assigned storage area; and
- Any wall or roof penetrations specifically shown on Association-approved plans attached as Exhibit A.

The Permitted Installation Areas remain Common or Limited Common Areas of the Condominium under Articles 6 and 7 of the Declaration, and nothing in this Agreement creates an easement or transfer of ownership.

2.2 No Automatic Right to Use Common Elements

This grant of permission is required because, under RCW 64.90.580(1)(c), the heat-pump statute may not be construed to permit owners to install equipment on or in common elements without approval of the Board.

3. INSTALLATION, OPERATION, AND MAINTENANCE

3.1 Compliance

Owner shall cause the Equipment to be installed and maintained:

- In accordance with all applicable codes and permits;
- In compliance with RCW 64.90.580 and all other applicable laws, including but not limited to engaging a heating, ventilation, and air conditioning (HVAC) contractor familiar with the standards for the installation of heat pumps to assess the existing infrastructure necessary to support the proposed Equipment, identify additional infrastructure needs, and install the Equipment;
- In compliance with the Declaration, Bylaws, rules, and the HVAC/ACC addendum;
- In strict conformity with the plans and specifications approved by the ACC/Board (attached as Exhibit A); and
- In accordance with the terms of this Agreement.

3.2 Owner-Maintained Components (Declaration Arts. 11.5, 11.6)

Owner acknowledges that the indoor unit, interior lines, and any components located within the Unit boundaries or inside walls, chases, or ceilings serving only the Unit are "equipment, appliances, and appurtenances" and/or "High Risk Components" which the Owner must maintain and repair at Owner's sole expense under Articles 11.5 and 11.6 of the Declaration.

4. COSTS, DAMAGE, AND RESTORATION

4.1 Owner Responsibility Under RCW 64.90.580(7)

Consistent with RCW 64.90.580(7), Owner is solely responsible for:

- All costs of installation, operation, maintenance, repair, replacement, and removal of the Equipment;
- All damage to any Unit, Common Element, or Limited Common Element caused by the Equipment or related work; and

- All costs to restore any affected Common or Limited Common Elements to a condition reasonably acceptable to the Association after installation, modification, or removal.

4.2 Declaration Article 13.3 – Uninsured Amounts and Deductibles

If any loss or damage results from the Equipment or from components Owner must maintain, Owner shall be liable to the Association for all applicable deductibles and uninsured amounts under Article 13.3 of the Declaration, which may be specially assessed to the Unit.

5. OWNER INSURANCE – HO-6 REQUIREMENT

5.1 HO-6 Coverage

While the Equipment is installed, Owner shall maintain an HO-6 or equivalent homeowners' policy that:

- Provides property coverage for the Equipment and Unit; and
- Provides liability coverage for bodily injury and property damage arising from the installation or operation of the Equipment, with coverage limits not less than the minimum required by the Board's insurance/ACC policy.

5.2 Proof of Coverage

Owner shall provide the Association, prior to commencement of any installation work, with proof of such coverage (for example, a certificate or declarations page) and shall promptly notify the Association of any cancellation or material change.

6. INDEMNITY

To the fullest extent permitted by Washington law, Owner agrees to defend, indemnify, and hold harmless the Association, its directors, officers, managers, and agents from and against any alleged or actual claims, demands, causes of action, liability, losses, damages, costs, or expenses (including reasonable attorneys' fees) arising out of or related to the installation, existence, operation, maintenance, repair, replacement, or removal of the Equipment or Owner's use of the Permitted Installation Areas, except to the extent caused by the sole negligence or intentional misconduct of the Association. This indemnification applies to and includes all penalties, fines, judgments, awards, decrees, attorneys' fees, legal expenses and costs, and any reimbursement a party seeks to collect from the Association. The duty to defend shall start when a claim is filed in court or any alternative dispute forum.

7. ACCESS AND INTERFERENCE WITH COMMON-ELEMENT WORK

Owner shall provide reasonable access to the Unit and Permitted Installation Areas for:

- Association inspections to confirm compliance with this Agreement and Articles 11.6 and 13 of the Declaration; and
- Association work on Common or Limited Common Elements located in or adjacent to the Permitted Installation Areas.

If the Association reasonably determines that removal, relocation, or temporary disconnection of the Equipment is necessary for such work, Owner shall, at Owner's cost, arrange for that work and subsequent restoration.

8. REVOCATION OR MODIFICATION OF PERMISSION

The Association may suspend, condition, or revoke its permission, or require relocation or removal of the Equipment at Owner's expense, if:

- Owner fails to comply with this Agreement, RCW 64.90.580 or any other applicable law or code, or the governing documents after written notice and a reasonable cure period;
- The Equipment interferes with the Association's ability to maintain, repair, or replace any Common or Limited Common Elements; or
- The Equipment presents an ongoing safety, structural, noise, or nuisance condition that Owner does not timely correct.

Upon revocation or required removal, Owner shall promptly remove the Equipment and restore affected areas as required in Section 4. If Owner fails to do so, the Association may arrange for that work and levy an assessment against the Owner's Unit for any related expenses, which shall be collectible in the same manner as any other assessment in accordance with the Declaration and applicable statutes.

9. BINDING EFFECT

The burden and benefit of this Agreement and the obligations in it are intended to attach and become appurtenant to the real property subject to this Agreement, and to be binding upon the Owner and all their successors, heirs, and assigns so long as any portion of the Equipment remains installed in or on the Permitted Installation Areas, consistent with RCW 64.90.580(7) and Article 1.3 of the Declaration (covenant running with the land).

Owner acknowledges and agrees that this Agreement shall be recorded as notice of this responsibility to all subsequent Owners of the Unit. Any obligations of the Owner (or Owner's successors in interest) incurred hereunder shall be both a personal obligation and a lien against the Unit and may be enforced in the same manner as any obligation or assessment incurred pursuant to the Declaration. This Agreement shall be a covenant that runs with the land and shall be binding upon the parties hereto and their successors, assigns, personal representatives, devisees, and heirs.

EXHIBIT A

Description of Installation Work and Equipment

[Attach legible description, drawings:]

Owner signature Unit number

Additional Owner signature (if needed)

STATE OF)) ss.: COUNTY OF)

On this day of, _____, 20____, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared [and _____], to me known to be the person(s) that executed the within and foregoing instrument and acknowledged that instrument to be their free and voluntary act and deed.

WITNESS my hand and seal hereto affixed the day and year in this certificate above written.

By:

(Print name)

NOTARY PUBLIC in and for the State of,

residing at

My commission expires:
