

**BYLAWS**  
*of the*  
**CASCADE VILLAGE PARK CONDOMINIUM ASSOCIATION**

The following are the By-Laws of the Cascade Village Park Condominium Association (the "Association"), a non-profit Washington corporation. They apply to the entire condominium development, each condominium unit therein and all common and limited common areas. Each unit owner is a member of the Association.

All present and future owners, mortgagees and other encumbrancers, lessees, tenants, licensees and occupants of units, and their guests and employees, and any other person who may use the facilities of the condominium are subject to the By-Laws, the Declaration and all Rules and Regulations established by the Association for the use and operation of the condominium.

These by-laws were established in 1980 by the Developer, amended in 1988 by the Board of Directors, and may be further amended as provided herein.

**ARTICLE I: MEMBERSHIP, VOTING, REGISTER**

1. **MEMBERSHIP.** The Association shall be composed of the owners of each unit, who may participate through designated representatives, as set forth in the Declaration.
2. **VOTING.** The aggregate voting power of all units is one hundred (100) votes. Each unit is entitled to a number of votes equal to its percentage of the undivided interest in the common areas and facilities as set forth in the Declaration.
3. **REGISTER OF MEMBERS.** The Board of Directors of the Association shall maintain a register containing the names and addresses of all owners of units, their designated representatives, and any voting rights pledges that have been filed with the Association. Owners who sell or convey their interests in a unit shall promptly report to the Board of Directors the name and address of their successor in interest. Persons claiming membership in the Association shall, upon request, furnish the Board of Directors with a copy of any documents under which they assert ownership to a unit, or any interest therein. The Board of Directors may require owners to supply it with copies of any security instrument affecting their interests.

**ARTICLE II: MEETINGS OF MEMBERS**

1. **PLACE.** Meetings of the Association shall be held at such reasonable place as may be designated from time to time by the Board of Directors.
2. **ANNUAL MEETING.** The annual meeting of the Association shall be held in the first quarter of each year, on a date fixed by the Board of Directors. At the annual meeting the owners or their designated representatives shall elect Directors or fill vacancies in the Board of Directors as provided in the Declaration and shall consider such other business as may properly come before the meeting.
3. **SPECIAL MEETINGS.** It shall be the duty of the President to call a special meeting of the Association when so directed by resolution of a majority of the Board of Directors, or upon the written request of owners or their representatives having fifty-one (51.0) or more votes.
4. **NOTICE OF MEETINGS.** It shall be the duty of the Secretary to mail a notice of each annual

these By-Laws, or any rules and regulations established by the Board of Directors, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition, or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Board of Directors of any assessment from an owner, with knowledge of any such breach, shall not be deemed a waiver of such breach, and no waiver by the Board of Directors of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board of Directors.

**5. LIMITATION OF LIABILITY.** To the extent permitted by law, the members of the Board of Directors and the Association shall not be liable for any failure of any utility or other service to be obtained and paid for by the Board of Directors or for any injury or damage to person or property caused by the elements, or by another owner or person; or resulting from electricity, water, rain, dust, smoke, or sand which may lead or flow from outside or from any parts of the property, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other cause or place; or resulting from loss, damage, or theft of articles used or stored by owners or occupants on the property or in apartments. No diminution or abatement of assessments shall be claimed or allowed for the inconveniences or discomfort arising from the making of repairs or improvements to the common areas, or from any action taken to comply with any law, ordinance, or order of a governmental authority. This section shall not be interpreted to impose any form of liability by any implication upon the Board of Directors or upon the Association.

**6. INTERPRETATION.**

a. The provisions of the Declaration and these By-Laws shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of this Horizontal Property Regime. It is intended also that, insofar as it affects the Declarations, these By-Laws and this condominium project, the Provisions of the Act referenced herein under which the Declaration and these By-Laws are operative, shall be liberally construed to effect the intent of the Declaration and these By-Laws insofar as is reasonably possible.

b. When interpreting the Declaration and these By-Laws, the term "person" may include natural persons, partnerships, corporations, associations, and personal representatives. The term "mortgage" shall include a Deed of Trust or real estate contract. The term "institutional holder" of a mortgage is a mortgagee which is a bank or savings and loan association or established mortgage company or other entity chartered under federal or state laws, any corporation or insurance company, or any federal or state agency. The singular may include the plural and the masculine may include the feminine, or vice versa, where the context so admits or requires. It is intended that the terminology used herein be interpreted in conformity with the definitions and usages in the Act.

c. The Developer 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 and the appurtenances thereof are filed of record.

d. The terminology, such as, but not limited to, the term "apartment" used herein is intended to have the meaning given in the Act unless the context clearly requires otherwise.

and special meeting, stating the purpose thereof as well as the time and place where it is to be held. Notice shall be sent to the owner or his designated representative (and any other person so entitled to notice under the Declaration or By-Laws) at such address as the owner or other person shall have furnished in writing to the Board of Directors, or, if an owner fails to specify such address, the address of the unit owned by the owner. Said notice shall be given at least fifteen (15) days prior to an annual or special meeting. Notice of any meeting of the Association may be waived in writing at any time and is waived by actual attendance at such meeting, unless such appearance be limited expressly to object to the legality of the meeting. Any institutional holder of a first mortgage on an apartment will, upon request, be entitled to written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

**5. QUORUM.** Except for an Adjourned Meeting as described below, the presence in person or by proxy of owners or their representatives having fifty-one (51.0) or more votes shall constitute a quorum for the transaction of business at any meeting of the Association.

**6. ADJOURNED MEETINGS.** If any meeting of the Association cannot be held because a quorum is not in attendance, the owners or their designated representatives present may adjourn the meeting to a later date and give notice thereof to each owner or his designated representative (and each other person entitled to notice) in accordance with the Declaration, and those who attend such an adjourned meeting, although holding less than fifty-one votes (51.0), shall nevertheless constitute a quorum for the purpose of said meeting; provided that no amendment to the Declaration or By-Laws shall be adopted except as prescribed by the Declaration and By-Laws, and further, no amendment to these By-Laws shall be adopted unless owners or their designated representatives hold sixty (60) or more votes in favor of such amendment.

**7. PROXIES.** Any owner or his designated representative may vote by proxy. Proxies shall be in writing, signed by the owner or his designated representative, and filed with the Board of Directors. A proxy must be for all the voting power of the condominium unit.

**8. MAJORITY VOTE.** Except as otherwise provided by the Declaration or these By-Laws, passage of any matter submitted to vote at a meeting or adjourned meeting duly called, where a quorum is in attendance in person or by proxy, shall require the affirmative vote of fifty-one (51) percent or more of the total votes present in person or by proxy.

**9. ORDER OF BUSINESS.** The order of business at meetings of the Association shall be as follows unless dispensed with or altered by motion:

- a. Roll Call
- b. Proof of notice of meeting or waiver of notice.
- c. Minutes of preceding meeting, unless those minutes were previously published and distributed to the members.
- d. Reports of officers
- e. Reports of committees
- f. Unfinished business
- g. New business
- h. Election of Directors (at annual meeting or special meeting called for such purpose)
- i. Adjournment

**10. PARLIAMENTARY AUTHORITY.** In the event of a dispute, the parliamentary authority for the meetings shall be the current available edition of Roberts Rules of Order, Revised.

### **ARTICLE III: BOARD OF DIRECTORS; SUBMISSION OF OFFICIAL BUSINESS**

1. **NUMBER, ELECTION.** After its initial stage, the affairs of the Association shall be governed by a Board of Directors composed of five (5) persons who shall be elected as provided in the Declaration. At least two (2) of the Board members shall be condominium unit owners who reside within Cascade Village Park.

2. **TERM OF OFFICE.** The Directors shall serve for two year terms. The terms shall be staggered so that, except when vacancies occur, two Directors will be elected in each even-numbered year and three will be elected in each odd-numbered year. Directors may be elected to successive terms in office.

3. **VACANCIES.** Vacancies in the elected Board of Directors caused by reason other than the removal of a Director by vote of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum. Each person so elected shall serve for the unexpired portion of the previous Director's term.

4. **REMOVAL OF DIRECTORS.** At any annual meeting of the Association or a special meeting called for that purpose, any one or more of the Directors may be removed, with or without cause, by a majority of the owners or their designated representatives, and successors may then be elected to fill the vacancies thus created.

5. **COMPENSATION.** No compensation shall be paid to the Directors solely for their services as Directors.

6. **ORGANIZATIONAL MEETING.** The first meeting of the elected Boards of Directors shall be held within ten (10) days of their election at such place as shall be fixed by agreement of the Board members elected, and no notice shall be necessary to the new Directors in order to legally constitute such a meeting, provided a majority of the Directors shall be present.

7. **REGULAR MEETINGS.** Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director personally, or by mail, phone, or telegraph at least three (3) days prior to the day fixed for the meeting, which notice shall state the time and place of the meeting.

8. **SPECIAL MEETINGS.** Special meetings of the Board of Directors may be called by the President on three (3) days prior notice to each Director, given personally or by mail, telephone, or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President in like manner and on like notice at the written request of one (1) Director.

9. **WAIVER OF NOTICE.** Before or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a director at any meeting of the Board of Directors shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

10. **QUORUM.** The attendance of three (3) Directors shall be required for a quorum at all Board meetings. The acts of the majority of Directors present at a meeting where a quorum is present shall be the acts of the Board of Directors.

11. **COMPLAINTS AND OFFICIAL BUSINESS.** Any complaints and all official business shall be transmitted in writing, emergencies excepted, and such written business shall be submitted to the Board through the Association's managing agent or the President or Secretary.

#### ARTICLE IV: OFFICERS

1. **DESIGNATION.** The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Directors.

2. **ELECTION OF OFFICERS.** The officers of the Association shall be elected each year at the annual meeting of the Board of Directors and shall hold office at the pleasure of the Board.

3. **REMOVAL OF OFFICERS.** At any regular meeting of the Board of Directors or at any special meeting called for that purpose, an officer may be removed, with or without cause, and his successor elected, upon an affirmative vote of a majority of the members of the Board of Directors.

4. **PRESIDENT.** The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors and shall have all powers and shall perform all duties usually incident to the office of the President of a business corporation.

5. **VICE PRESIDENT.** The Vice President shall perform the duties of the President in the absence of the President and any such other duties as may be assigned to him by the Board of Directors.

6. **SECRETARY.** The secretary shall keep the minutes of all meetings of the Board of Directors and of the Association. He shall also maintain the register of owners, designated representatives, and voting rights pledges. He shall, in addition, perform all duties usually incident to the office of the Secretary of a business corporation.

7. **TREASURER.** The treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association.

8. **OTHER OFFICERS, ASSISTANTS, EMPLOYEES.** Other officers of the Association, assistants to the officers, or persons employed to assist the officers, shall have the authority and shall perform the duties as the Board of Directors may prescribe within the provisions of the applicable statutes, the Declaration, and these By-Laws.

9. **COMPENSATION.** The Board may determine to pay a reasonable compensation to any officer, agent, assistant, or owner who performs substantial services for the condominium project in carrying out the management functions.

#### ARTICLE V: COMMITTEES AND MANAGER

1. **COMMITTEES OF DIRECTORS.** The Board of Directors may designate one or more committees, each of which shall consist of one or more Directors. Such committees, if composed entirely of board members, shall have and exercise, to the extent provided in the resolution establishing the committee, the authority of the Board of Directors in the management of the Association, but the designation of such committees shall not operate to relieve the Board of Directors of any responsibility imposed upon it by law.

2. **OTHER COMMITTEES.** Other committees, not having or exercising the authority of the Board

of Directors in the management of the Association, may be designated by the President or by the Board of Directors, and such committees may be composed of one or members of the Association other than Board members, but each shall have one Board member as a member or chairman.

**3. DELEGATION TO MANAGER.** The Board of Directors may delegate any of its duties, powers or functions to any person or persons, to act as Manager of the condominium project as provided in the Declaration.

**4. PROFESSIONAL MANAGEMENT.** The prior written approval of each institutional holder of a first mortgage lien on a unit will be required for the effectuation of any decision by the Association to terminate professional management and assume self-management of the condominium project.

## **ARTICLE VI: OBLIGATIONS OF APARTMENT OWNERS**

**1. MONTHLY ASSESSMENTS.** Unit owners are obligated to pay the maintenance assessments and other assessments imposed by the Association to meet all common expenses of the property as set forth in the Declaration, and the Board of Directors shall act to establish, assess, collect and expend such assessments as therein provided.

**2. RULES AND REGULATIONS.** The Board of Directors may, from time to time, adopt such rules and regulations (in addition to the restrictions set forth in the Declaration) as may be required for the use, occupancy and maintenance of the apartments, common areas, and limited common areas and when so adopted, such rules and regulations shall be binding upon all of the owners and occupants. Such rules and regulations shall be consistent with the Declaration and By-laws, and to the extent they are inconsistent, the rules and regulations shall be invalid. The Board of Directors may from time to time amend any such rules and regulations.

## **ARTICLE VII: HANDLING OF FUNDS, RESERVE ACCOUNTS**

**1. ACCOUNTS.** The Association shall establish the necessary funds and accounts to properly provide for the operation and maintenance of the property. Overall superintendence of these funds shall be the responsibility of the Treasurer of the Association. The Treasurer shall administer the Association's accounts in such a way that the funds are secure and that signature cards at the various institutions containing the funds are current.

### **2. INSURANCE RESERVE ACCOUNT; PURPOSE and FUNDING.**

The Treasurer shall establish an interest-bearing savings account in a federally insured savings bank or savings and loan association, this account to be known as the Insurance Account.

**PURPOSE.** The account is to ensure that the Association maintains sufficient funds on hand to make all insurance premium payments in a timely manner.

**FUNDING.** Each month the Treasurer shall first cause to be deposited in the Insurance Account an amount equal to at least one-twelfth of the total cost of all premiums for the policy or policies that are provided for the condominium. Exception: If the Association's insurers demand or permit monthly premium payments then such payment schedule may be adopted by the Board in lieu of funding the Insurance Account.

3. **FISCAL YEAR.** The fiscal year of the Association shall begin on the first day of July and continue through the thirtieth of June.

## **ARTICLE X: AMENDMENTS TO BYLAWS**

Except as otherwise provided below, the By-Laws may be amended or repealed, at any time, by the Board of Directors. Owners or their designated representatives having sixty (60.0) or more votes may amend or repeal the By-Laws at any annual meeting or special meeting called for that purpose. The Board of Directors shall not amend or repeal any By-Laws adopted by the owners or their designated representatives.

Notwithstanding the foregoing, no amendment of the By-Laws modifying, changing, limiting, altering, or otherwise materially affecting the rights conferred upon the mortgagee of the condominium project or any mortgagee of a condominium unit with respect to any unsatisfied mortgage, duly recorded, shall be effective unless such amendment shall be approved in writing in advance by the holder of such mortgage. Furthermore, any material amendment to the By-Laws, including, but not limited to, any amendment which would change the percentage interests of the owners in the condominium project, shall require the prior written approval of all institutional holders of first mortgage liens on units.

## **ARTICLE XI: ABANDONMENT OR TERMINATION**

The prior written approval of each institutional holder of a first mortgage lien on a unit will be required for the abandonment or termination of the condominium project, except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of taking by condemnation or eminent domain.

## **ARTICLE XII: MISCELLANEOUS**

1. **INDIVIDUAL ITEMS.** Certain items which would ordinarily be considered common areas such as, but not limited to, screen doors, window screens, other screens, awnings, storm windows, planter boxes, and the like may, pursuant to decision of the Board of Directors, be designated as items to be furnished and/or maintained in good order at individual homeowner expense according to standards and requirements established by the Board of Directors.

2. **LIMITED COMMON AREAS.** The allowed uses of all Limited Common Area, including the decks, patios and garages are subject to regulation by the Board of Directors. No Limited Common Area may be taken or converted to living space or storage area.

3. **NOTICES FOR ALL PURPOSES.** Any notice permitted or required to be delivered under the provisions of these By-Laws may be delivered either personally or by mail unless otherwise provided in these By-Laws. If delivery is by mail, any such notice shall be deemed to have been delivered seventy-two (72) hours after a copy has been deposited in the United States mail, first-class postage prepaid, addressed as required in Section 22 of the Declaration. Notice to the owner of a unit or his designated representative shall be sufficient if mailed to the apartment of such person. Mailing addresses may be changed from time to time by notice in writing to the Board. Notice to be given to the Board shall be given to the Association's managing agent or the President or Secretary of the Board of Directors.

4. **WAIVER.** The failure of the Board of Directors in any one or more instances to insist upon the strict performance of any of the terms, covenants, conditions or restrictions of the Declaration, or of

## 5. GENERAL ACCOUNT.

The Treasurer shall establish a checking account in a federally insured commercial bank to be known as the General Account. This account will be the working capital account for the current operations of the condominium and will normally receive all monthly assessments, and all income and other funds received by the Association. Checks shall be issued from this account for all management, maintenance, and operation expenditures necessary for the condominium. Funds for the Insurance Account, Emergency Reserve Account, and Capital Replacement Reserve Account will normally be received and deposited in the General Account and checks issued immediately to the other accounts so that an overall accounting of the funds received and disbursed by the Association is centralized in the check register of the General Account.

## ARTICLE VIII: AMENDMENT OF PERCENTAGE INTEREST IN COMMON AREAS AND FACILITIES

1. **PERIODIC APPRAISAL.** The property and all parts thereof shall be reappraised upon the happening of any event which, in the judgment of the Board of Directors, requires a reappraisal and reapportionment of values of one or more units. Such appraisal shall be made by an appraiser selected by the Board. After such appraisal has been made, it shall be considered by the Association at a special meeting duly called for that purpose. Any owner or his designated representative shall have the right to be heard at such meeting and to introduce evidence if he desires. The value of the condominium project and of each unit and its percentage of undivided interest in the common areas and facilities shall not be altered, however, except as provided in Article X of these By-laws and in the Declaration.

## ARTICLE IX: KEEPING RECORDS AND REPORTS

1. **GENERAL.** The Treasurer shall keep complete and accurate books and records of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. Such books and records, authorizations for payment of expenditures, and all contracts, documents, papers and other records of the Association shall be available for examination, upon request, by any owner or his designated representative, agent or attorney, or by any institutional holder of a first mortgage lien on a unit, during normal business hours.

2. **FINANCIAL REPORTS.** The Board of Directors shall cause to be issued and mailed to each owner or his designated representative (and upon request, to each institutional holder of a first mortgage on a unit) annual financial reports which shall include:

- a. An audited financial statement for the Condominium,
- b. A balance sheet,
- c. A statement of operations,
- d. A statement from the President indicating the general condition of the Association, and
- e. A comparison between the actual expenses of the condominium project and the projected expenses outlined in the current budget and upon which the current assessments are based.

Such reports shall be received by the designated recipients no later than ninety (90) days following the end of each fiscal year of the condominium project.



### 3. EMERGENCY RESERVE ACCOUNT.

The Treasurer shall establish an interest-bearing account in a federally insured savings bank or savings and loan association, this account to be known as the Emergency Reserve Account.

**PURPOSE.** The Emergency Reserve Account is intended to provide financial stability during periods of special stress, to meet any deficiency in the general fund that may occur from time to time as a result of delinquent payment of assessments, unforeseeable costs of emergency repairs to common area facilities, and for other similar contingencies.

**FUNDING OF ACCOUNT.** The Emergency Reserve Account shall be funded by monthly payments from the common expense assessment, and not by extraordinary special assessments. Except as monthly assessments might be otherwise expended in payment of insurance reserves required under Paragraph 2 above and Section 10.04 of the Declaration, an amount equal to three percent (3%) of the monthly assessments chargeable to the owners shall be allocated to the Emergency Reserve Account until that account, with such contributions and any other contributions allocated thereto, is equal to fifteen percent (15%) of the current annual amount of the owners' assessments.

At such time, with the approval of the Board of Directors, the monthly allocation may be reduced to one and one-half percent (1.5%) of the monthly assessments. If subsequent withdrawals from this account reduce its balance below said fifteen percent (15%) level, deposits of three percent (3%) of the monthly assessments shall be resumed until the account is restored to fifteen percent (15%) of the current annual assessments. Interest earned on the Emergency Reserve Account balance need not be accumulated in the Account but may be allocated and expended as other income to the Association.

### 4. CAPITAL REPLACEMENT RESERVE ACCOUNT.

The Treasurer shall establish an interest-bearing savings account in a federally insured savings bank or savings and loan association this account to be known as the Capital Replacement Reserve Account.

**PURPOSE.** The Capital Relacement Reserve Account is to provide for renovation or replacement of all common area facilities which may reasonably be expected to require renovation or replacement prior to the end of the useful life of the buildings. Such facilities include, but shall not be limited to: roofs, pavement, paint, lighting fixtures, landscaping, exterior stairs, deck surfaces, underground utilities, recreation area mechanical equipment, and interior furnishings and appliances of an apartment owned by the Association for a manager's residence.

**FUNDING OF ACCOUNT.** Except as monthly assessments might be otherwise expended in payment of insurance reserves required under paragraph 2 above, emergency reserves as required in paragraph 3 above, and Section 10.04 of the Declaration, an amount not less than twenty-five percent (25%) of the monthly assessments charged to the owners shall be allocated to the Capital Replacement Reserve Account. The Board of Directors shall determine the monthly allocation to the Capital Replacement Reserve Account so that there are sufficient funds therein to renew or replace each common area facility covered by the account at the end of the estimated useful life of each such common area facility. Interest earned on the Capital Replacement Reserve Account balance shall not be allocated or expended for operation of the Association but shall be retained in the Account until expended for replacement of common area facilities.

**REVIEW OF FUNDING, EXTRA ASSESSMENTS.** The Board of Directors shall verify annually that the allocation to the account is adequate to meet projected future needs. If the sum allocated and budgeted proves inadequate for any reason, the Board of Directors may at any time levy a further assessment, which shall be assessed to the owners in like proportions in accordance with Section 11.01 of the Declaration.