

Ed. Hubert J.A.

BYLAWS

OF

FAIRWAY VIEW CONDOMINIUMS 1-15

ARTICLE I

PLAN OF APARTMENT OWNERSHIP

Section 1. Apartment Ownership. The condominium, located in the County of Clark, State of Washington, known as FAIRWAY VIEW CONDOMINIUMS 1-15 is submitted to the provisions of RCW Chapter 64.32 et seq., the Washington Horizontal Property Regimes Act.

Section 2. Bylaws Applicability. The provisions of these Bylaws are applicable to the condominium, the Apartment Owners' Association and the entire management structure thereof. (The term "condominium" as used herein shall include the land.)

Section 3. Personal Application. All present or future owners, tenants, future tenants or their employees, or any other person that might use the facilities of the condominium in any manner, are subject to the regulations set forth in these Bylaws.

The mere acquisition or rental of any of the one hundred four (104) apartments (hereinafter referred to as "apartments") of the condominium or the mere act of occupancy of any said apartments signify that these Bylaws are accepted, ratified, and will be complied with.

ARTICLE II

ASSOCIATION MEMBERSHIP, VOTING
MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Membership in the Association. Upon recordation of a conveyance or contract to convey an apartment, the grantee or purchaser named in such conveyance or contract shall automatically be a member of the Association of Apartment Owners, and shall remain a member of said Association until such time as such person's ownership ceases, for any reason. Apartment ownership shall be determined, for all purposes of the Declaration of Apartment Ownership ("Declaration") and the administration of the property, from the record of apartment ownership maintained by the Association. The record shall be established by the apartment owner filing with the Association a copy of the deed to or land sale contract for his apartment, to which shall be affixed the certificate of the recording officer of the County of Clark, Washington, showing the date and place of recording of such deed or contract. No person shall be recognized as an apartment owner unless a copy of the deed or contract has been filed with the Association, as provided above, showing him to be the current owner or contract purchaser of an apartment. Notwithstanding the foregoing, the declarant shall be the owner of all previously unsold apartments, although no deed or land sale contract, with respect to such apartments, has been filed with the Association.

Section 2. Voting. Voting shall be on a percentage basis and the percentage of the voting to which an owner is entitled shall be the percentage interest in the general common areas and facilities assigned to said owner's apartment or apartments by the Declaration. The percentage vote attributable to a single apartment may not be divided between or among multiple owners.

Section 3. Majority of Owners. As used in these Bylaws, the term "majority of voting owners" shall mean those owners holding over fifty-one percent (51%) of the vote, in accordance with the Declaration and Section 2 above. "Majority of voting owners present" shall mean voting owners holding over fifty-one percent (51%) of the votes present at any legal meeting.

Section 4. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of a "majority of voting owners" as defined in Section 3 of this Article shall constitute a quorum.

Section 5. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before or during the appointed meeting. The proxies may require the holder to cast a vote for or against any special proposal set out in the notice calling the meeting. A meeting of the Association may be by proxy ballot, as the Directors may elect, rather than at a formal gathering. Ballots for such meeting must be properly executed and returned in sufficient quantity to constitute a quorum and to pass the proposal specifically propounded on the ballot.

Section 6. Authority to Vote. All owners shall be entitled to vote, and this shall be true if they have leased their premises to a third party. An owner's right to vote may not be revoked. A purchaser under a land sale contract entitled to immediate possession of the premises shall be deemed the owner of the premises.

Section 7. Fiduciaries and Joint Owners. An executor, administrator, guardian or trustee may vote, in person or by proxy, at any meeting of the Association with respect to any apartment owned or held by him in such capacity, whether or not the same shall have been transferred to his name; provided, that he shall satisfy the secretary that he is the executor, administrator, guardian or trustee holding such apartment in such capacity. Whenever any apartment is owned by two or more persons jointly, according to the records of the Association, the vote of such apartment may be exercised by any one of the owners then present, in the absence of protest by a co-owner. In the event of such protest, no one co-owner shall be entitled to vote without the approval of all co-owners. In the event of disagreement among the co-owners, the vote of such apartment shall be disregarded completely in determining the proportion of votes given with respect to such matter.

ARTICLE III

ADMINISTRATION

Section 1. Association Responsibilities. The owners of the apartments will constitute the Association of Apartment Owners ("Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments and arranging for the operation, management and maintenance of the condominium, including negotiating and contracting with and supervising any person, persons or business entity with respect to such matters. Except as otherwise provided in the Declaration or these Bylaws, decisions and resolutions of the Association shall require approval by a majority of owners present at any legal meeting. A legal meeting is one duly called pursuant to these Bylaws where a quorum is present in person or by proxy at a formal gathering, or if the meeting is held by ballot, when ballots are returned representing more than fifty percent (50%) of the vote.

Section 2. Place of Meetings. Formal meetings of the Association shall be held at the principal office of the condominium or such other suitable place convenient to the owners as may be designated by the Board of Directors. The vote of ballot meeting shall be determined by the Board of Directors within forty-eight (48) hours of the deadline for return of ballots. Each apartment owner shall be notified by mail or other delivery of written notice of the results of the ballot meeting or that a quorum of ballots was not returned, within ten (10) days after the ballots have been counted.

Section 3. Initial Meeting. The initial organizational meeting will be held within a reasonable time after the Declaration of Apartment Ownership has been recorded, but not later than one hundred twenty (120) days after completion of transfer to purchasers of title to apartments representing 70% of the votes of all apartment owners, and shall be called by notice to all apartment owners of the time and place thereof not less than seven (7) days before the meeting.

Section 4. Annual Meeting. The first annual meeting of the Association shall be held in the calendar year following the calendar year in which the initial organizational meeting is held and shall be set by action of the Board of Directors. This meeting, at the discretion of the Board of Directors, may be changed from time to time, but must be held annually under the rules and regulations as set out in the Bylaws. At such meetings, new members of the Board of Directors shall be elected by the owners in accordance with the requirements of Section 6 of Article IV of these Bylaws, to replace those directors whose terms have expired. The owners may also transact such other business of the Association as may properly come before them.

Section 5. Special Meetings. It shall be the duty of the Chairman to call a special meeting of the owners as directed by resolution of the Board of Directors or upon a petition signed by ten percent (10%) or more of the owners having been presented to the Secretary. All meetings called because of petition of apartment owners shall be held at a formal gathering and not by ballot. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of all the owners of the apartments or as otherwise set out in these Bylaws.

Section 6. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual special or meeting by ballot, stating the purpose thereof and the time and place where it is to be held, to each owner of record at least ten (10) days but not more than sixty (60) days prior to such meeting or the date when ballots for a ballot meeting are required to be returned. The mailing shall be to the owner's address last given the Secretary in writing by the apartment owner or his vendee. If apartment ownership is split or the apartment has been sold on a contract, notice shall be sent to a single address, of which the Secretary has been notified in writing by such parties. If no address has been given the Secretary in writing, then mailing to the condominium apartment shall be sufficient. The mailing of a notice in the manner provided in this section shall be considered notice served.

Section 7. Adjourned Meetings. If any gathering of owners is not a legal meeting because of quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called. The adjournment provisions of this Section do not apply to meetings by ballot.

Section 8. Order of Business. The order of business at all meetings of the owners of apartments shall be as follows:

- (a) Roll Call
- (b) Proof of Notice of Meeting or Waiver of Notice
- (c) Reading of Minutes of the Preceding Meeting
- (d) Reports of Officers
- (e) Reports of Committees
- (f) Election of Inspectors of Election
- (g) Election of Directors
- (h) Unfinished Business
- (i) New Business

ARTICLE IV

BOARD OF DIRECTORS

FIVE (5)

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of three ~~(3)~~ persons, all of whom must be apartment owner or the co-owner of an apartment. An officer or employee of a corporation, or the trustee of a trust, or personal representative of an estate, or an employee of the trust or estate may serve on the Board of Directors, if the corporation, trust or estate owns an apartment.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these Bylaws directed to be exercised and done by the owners.

Section 3. Other Duties. In addition to duties imposed by these Bylaws or by resolutions of the Association, the Board of Directors shall have authority to carry out and be responsible for the following matters:

- (a) Care, upkeep and supervision of the condominium and the general common areas and facilities and the limited common areas and facilities, if any, and assigning, supervising assignments or approving any assignment of the use of any common area or facility, general or limited, as may be required by the Declaration.
- (b) Designation and collection of monthly assessments from the owners, in accordance with these Bylaws, the Declaration and the Washington Horizontal Property Regimes Act.
- (c) Payment of all common expenses of the Association and institution and maintenance of a voucher system for such payment, which shall require a sufficient number of signatories thereon as may be reasonably necessary to prevent any misuse of Association funds.
- (d) Designation and dismissal of the personnel necessary for the maintenance and operation of the condominium, the general common areas and facilities and the limited common areas and facilities, if any.

(e) Leasing, subleasing or hypothecation, in any manner, of the general or limited common areas or facilities, if any, of the condominium which have or may have any income producing potential.

(f) Promulgation and enforcement of rules of conduct for apartment owners, employees and invitees which shall be consistent with the restrictions set out in Article VI, Section 10 of these Bylaws.

Section 4. Management Agent. The Board of Directors may employ a management agent, to be compensated in an amount established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 3 of this Article.

Section 5. Interim Directors. Upon the filing of the Declaration submitting the condominium to the Washington Horizontal Property Regimes Act, the Declarant shall appoint an interim board of three (3) directors (who need not be owners of apartments), who shall serve until replaced by Declarant or their successors have been elected by the apartment owners at the initial organizational meeting as hereinafter provided. The Declarant may have effective voting control at the initial organizational meeting to elect members of his choosing to the Board as long as he continues to own a large percentage of the apartments.

Section 6. Election and Term of Office. At the initial meeting of the Association, the term of office of three (3) Directors shall be fixed for three (3) years. The term of office of one (1) Directors shall be fixed at two (2) years, and the term of office of two (2) Directors shall be fixed at one (1) year. Should more Directors be added, the same sequential election terms shall apply as nearly as is practicable. At the expiration of the term of office of each respective Director, his successor shall be elected to serve a term of two (2) years. The Directors shall hold office until their successors have been elected and hold their first meeting. At the initial organizational meeting, upon agreement by vote of the owners, the Board of Directors may be elected by a single ballot with each owner permitted to vote for seven (7) nominees. In such event, the three (3) persons receiving the highest number of votes shall serve for the 3-year term, the two (2) persons receiving the second highest number shall serve for the 2-year term, and the two (2) persons receiving the third highest number shall serve for the 1-year term.

Section 7. Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled for the balance of the term of each directorship by vote of a majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected upon expiration of the term for which such person was elected by the other Directors to serve.

Section 8. Removal of Directors. At any legal annual or special meeting, other than a meeting by ballot, any one or more of the Directors may be removed with or without cause, by a majority of the owners and a successor may be then and there elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

Section 9. Organizational Meeting. The first meeting of a newly-elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly-elected Directors in order to legally hold such meeting, provided a majority of the newly-elected Directors are present.

Section 10. 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. Notice of regular meetings of the Board of Directors may be called by the Chairman on three (3) days' notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman or Secretary or on the written request of at least three (3) Directors. Special meetings of the Board of Directors may be called on three (3) days' notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting.

Section 12. Waiver of Notice to Directors. Before, at 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 such notice. Attendance by a Director at any meeting of the Board 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 of Directors shall be required and any business may be transacted at such meeting.

Section 13. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the existing Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 14. Notice of Association Members of Board of Directors Meetings. For other than emergency meetings, notice of Board of Directors meetings shall be posted at a place on the Condominium property at least three (3) days prior to the meeting or notice shall otherwise be provided to each member of the Association reasonably calculated to inform each member of such meeting. The posting of such notices shall be at a reasonable location which has been generally publicized to the Apartment Owners.

Section 15. Telephonic Meetings. In the event of an emergency, telephonic meetings may be held by the Board of Directors. Such telephonic meetings shall be carried on by means of a "conference call" in which each Director may speak with any of the other Directors. The Directors shall keep telephone numbers on file with the Chairman to be used for telephonic meetings. No notice to either Directors or Association members shall be required for a telephonic meeting of the Board of Directors to be held for any emergency action. Provided, however, no such telephonic meeting shall occur unless at least seventy-five (75%) of the Board of Directors participate in the same and after an attempt has been made to call each Director at the telephone number maintained on file with the Board of Directors for such purpose.

Section 16. Compensation of Directors. No Director shall be compensated in any manner, except for out-of-pocket expenses, unless such compensation is approved by vote of the apartment owners.

ARTICLE V

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a Chairman, a Secretary and a Treasurer, all of whom shall be elected by the Directors. The directors may appoint an assistant treasurer and an assistant secretary, and any such other officers as in their judgment may be necessary.

Section 2. Election of Officers. The officers of the Association may be elected by the Board of Directors at the organizational meeting of each new board or any board meeting thereafter, and shall hold office at the pleasure of the board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular or special meeting of the Board of Directors.

Section 4. Chairman. The Chairman shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association. The Chairman shall be entitled to vote at Board of Director meetings only in case of a tie vote at any such meeting, and his vote shall be final.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

Section 6. Treasurer. The Treasurer shall have responsibility for Association funds and securities not otherwise held by the managing agent, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

Section 7. Directors as Officers. Any Director may be an officer of the Association.

ARTICLE VI

OBLIGATIONS OF THE OWNERS

Section 1. Assessments. All owners are obligated to pay monthly assessments imposed by the Association to meet all the project's general common expenses, which shall include premiums for insurance required or permitted under Article VII of these Bylaws. All of the reserve funds set up pursuant to these Bylaws shall be funded by allocation and payment from the monthly assessment of apartment owners. The assessment of all apartment owners who may be benefited by expenditure of reserve funds may be increased as necessary, so the reserve fund in question can be maintained in an amount sufficient to meet the needs for which such fund was established. Such assessments shall include:

- (a) Expenses of administration.
- (b) Expenses of maintenance, repair or replacement of common areas and facilities.
- (c) Cost of insurance or bonds obtained in accordance with these Bylaws.
- (d) Any deficit in common expenses for any prior period.
- (e) Utilities for the common areas and other utilities with a common meter or commonly billed, such as water and sewer.
- (f) The cost of any professional management if required by first mortgagees or desired by the Board of Directors.
- (g) A reserve fund for replacements by the allocation and payment monthly to such reserve fund of an amount determined by the Directors. The reserve fund is for the purpose of effecting replacements of structural elements, mechanical equipment and other general common areas and facilities of the condominium. Payment into this fund shall be deemed a contribution to capital improvement as and when made. The establishment and maintenance of this fund shall be a mandatory obligation of the Board of Directors.
- (h) A General Operating Reserve by allocation and payment thereto monthly of an amount determined by the Board of Directors. This existence of this reserve fund shall be discretionary with the Board of Directors.
- (i) Such other special reserve funds as may be set up by the Directors by special assessments of the apartment owners who benefit thereby as may be required by the Declaration or otherwise determined by the Association of Apartment Owners to be appropriate, including a reserve fund for any lease payments and maintenance of any limited common areas or facilities.
- (j) Any other items properly chargeable as an expense of the Association.

Each reserve fund shall be kept in a fund with a safe and responsible depository, shall be accounted for separately and, if invested, the obligation or security shall be fully guaranteed as to principal by the United States of America or one of its agencies. No apartment owner shall have any individual rights in any of these reserves, although it is understood that the value of their respective apartments may increase in proportion to each apartment's right to receive repair, maintenance and replacement therefrom.

Section 2. Initial Assessment. The initial assessment to apartment owners shall be determined by the Declarant and each purchaser shall execute a consent to such initial assessment. The monthly assessment shall thereafter be subject to review by the Board of Directors. The Declarant shall not be obligated to pay monthly assessments on unsold apartments. Provided, however, the Declarant shall be required to pay the same monthly assessment for apartments owned by the Declarant as owners of comparable apartments after any such apartment is occupied by a tenant or purchaser.

Section 3. Payment of Assessments. Subject to the provisions of Section 2 of this Article VI, from the date the Declaration is recorded, the Declarant shall:

- (a) Pay assessments due for operating expenses on all unsold apartments; and
- (b) Pay assessments due for reserves on all unsold apartments, or, at the Declarant's option, pay or require the apartment owner to pay all accrued reserve assessments against the apartment at the time of the initial sale to the apartment owner.

Section 4. Budget. The amount of the monthly assessment, after the first annual meeting shall be based upon a budget written by the Board of Directors, presented to and adopted by the Association. Thereafter, until the next annual meeting and budget, the Board of Directors may increase the monthly assessment to apartment owners by no more than a total of twenty percent (20%) for any item from the assessment determined from the annual budget, without approval by the Association at a specially called meeting. Provided, however, special assessments may be made at any time to all apartment owners, pro rata, to make up a deficit caused by a defaulting owner whose apartment was taken over by foreclosure thereby removing the lien of the Association for unpaid assessments. Interest shall be charged on delinquent assessments at the rate of ten percent (10%) per annum. The Directors, in their discretion, may waive the imposition of such interest charges.

Section 5. Default. Failure by an owner to pay any assessment of the Association shall be a default by such owner of his obligation pursuant to these Bylaws and the Washington Horizontal Property Regimes Act. In addition to the interest which may be charged on delinquent assessments, the Board of Directors, at its option, may impose a late charge penalty in respect to any monthly assessment not paid within ten (10) days from the due date. Such penalty may not exceed the sum of 10% of the monthly assessment. The Association shall be entitled to a lien which may be enforced upon compliance with the provisions of RCW 64.32.200. In any foreclosure suit by the Association with respect to such lien, the Association shall be entitled to collect reasonable rent from the defaulting owner for the use of his apartment or shall be entitled to the appointment of a receiver pursuant to RCW 64.32.200 (2). Any default by the owner in any provisions of these Bylaws or of the Washington Horizontal Property Regimes Act shall be deemed to be a default by the owner of any mortgage to which the owner is a party or to which the apartment is subject.

Section 6. Maintenance and Repair.

- (a) Every owner must perform promptly all maintenance and repair work within his own apartment, which if omitted would affect the common areas and facilities of the condominium or a part thereof belonging to other owners, and shall be responsible for the damages and liabilities that his failure to do so may cause.
- (b) All repairs of internal installations of each apartment, such as water, lights, gas, power, sewage, telephones, air conditioners and sanitary installations, doors, windows, lamps and all other accessories belonging to the apartment area shall be at the sole expense of the owner of such apartment.
- (c) An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and/or facility damaged through his fault, not otherwise covered by insurance policies carried by the Association for the owner's and Association's benefit.

Section 7. Use of Apartments - Internal Charges.

- (a) All apartments shall be used for residential purposes only, and all common areas and facilities shall be used in a manner conducive to such purposes. With the exception of a lender in possession of a condominium apartment following a default in a first mortgage, a foreclosure, no apartment owner shall be permitted to lease his apartment for transient or hotel purposes. No apartment owner may lease less than the entire apartment. Any lease agreement shall be required to provide that the terms of the lease shall be subject to all respects to the provisions of the Declaration and the Bylaws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be required to be in writing.
- (b) An owner shall not make structural modifications or alterations in his apartment or installations located therein without previously notifying the Association in writing, through the Management Agent, if any, or through the Chairman of the Board of Directors, if no management agent is employed. The Association shall have the obligation to answer within thirty (30) days, and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

Section 8. Use of the Common Areas and Facilities. An owner shall not place or cause to be placed in the lobbies, patios, decks, ramps, vestibules, stairways and other project areas and facilities of the condominium of a similar nature, any furniture, packages or objects of any kind, except that suitable furniture may be placed on the decks and patios without the prior written consent of the Board of Directors. Such areas shall be used for no purpose other than what is normal.

Section 9. Right to Entry.

- (a) In case of emergency originating in or threatening his apartment, an owner shall grant the right of entry to the management agent or to any other person authorized by the Board of Directors or the Association, whether the owner is present at the time or not.
- (b) An easement is reserved to the Association in and through any apartment and the common areas and facilities providing access at reasonable times and with reasonable notice for purposes of maintenance, repair and replacement of the common areas and facilities. If, in the process of such repair and maintenance by the Association, it is necessary to alter or damage any apartment or common areas or facilities, such alterations or damages will be permitted without compensation, such alterations or damages will be permitted without compensation, provided the apartment and/or common areas and facilities are promptly restored to substantially their prior condition by the Association.
- (c) If any portion of the common areas or facilities encroaches upon an apartment, or an apartment encroaches upon any portion of the common areas or facilities, a valid easement for the encroachment and for the maintenance of the same, so long as it stands, shall be and does exist. In the event the structures are partially or totally destroyed, and then rebuilt, the owners of the apartments agree that minor encroachment of parts of the common areas and facilities due to such rebuilding shall be allowed and an easement shall exist for such purpose.

Section 10. Rules of Conduct.

- (a) No resident of the condominium shall post any advertisements, posters, or signs of any kind in or on the condominium property except as authorized by the Association and except that the Declarant may post "For Sale" signs advertising unsold apartments.
- (b) Residents shall exercise extreme care about creating disturbances, making noises or using musical instruments, radios, televisions and amplifiers that may disturb other residents. No owner may keep a pet in his apartment without prior written consent of the Board of Directors. Any owner given such authorization shall further abide by the Municipal Sanitary Regulations, leash laws and rules or regulations of the Association created by the Board of Directors.
- (c) It is prohibited to hang garments, rugs and similar items from the windows or porches or terraces, or to clean such items by beating on an exterior part of the condominium.

- (d) It is prohibited to hang or shake dust rags, mops and similar items from the windows or porches or terraces, or to clean such items by beating on an exterior part of the condominium.
- (e) It is prohibited to throw garbage or trash next to the disposal installations provided for such purposes in the service areas. All such garbage and trash shall be placed inside disposal containers.
- (f) No owner, resident or lessee shall install wiring for electrical or telephone installations, television antennae, machines or air conditioning units or similar devices on the exterior of the condominium buildings or cause them to protrude through the walls or the roof of the condominium except as authorized by the Association. No window guards, awnings or shades shall be installed without the prior consent of the Board of Directors.
- (g) No exterior antennae, shall be allowed except those installed by the Association.
- (h) Curtains and drapes shall be generally white or lined with white, or as the Board approves, to create an aesthetic and harmonious outer appearance of the condominium buildings.
- (i) The parking spaces designated as general common areas and facilities in the Declaration are intended for use of automobiles of owners and guests. The Directors may make such rules necessary to govern the use of any general or any limited common parking areas by which all owners and other users shall be bound. Provided, however, no such rule shall prohibit, restrict, or change a parking assignment previously made to a unit without the written consent of the unit owner.
- (j) Vehicular traffic on the parking areas and driveway on condominium property shall be limited to five (5) miles per hour as a safety precaution. This speed limit shall apply to bicycles, motor scooters, motorcycles, automobiles and trucks. No recreational vehicles, campers, trailers, boats, boat trailers, vehicles in disrepair or similar things may be parked or kept on condominium property without the prior written consent of the Board of Directors.
- (k) All common areas, including common garden and patio areas are provided for the use of the owners and their guests. Rules and regulations will be posted, setting out the hours the various facilities will be available for use, and the conditions attendant thereto. Compliance with such rules as determined by the Board of Directors is essential to the harmonious operation of the facilities.
- (l) The Directors may restrict the use of the general or limited common areas and facilities to specific apartment owners as may be necessary and reasonable in the overall use of said areas and facilities and for the best interest of the condominium as a whole and the owners of apartments therein.

Failure by an owner (his family, invitees or lessees) to comply with the rules of conduct and restrictions set forth herein or others promulgated by the Board of Directors may deny or restrict such owner's right to use any common area or facility with respect to which such owner otherwise had a right to use.

Section 11. Use Restriction Contained in Declaration. In addition to the rules, restrictions and other provisions of this Article VI, all apartment owners must comply with the use restrictions contained in Section 7 of the Declaration.

ARTICLE VII

INSURANCE

The Board of Directors shall obtain and maintain at all times insurance of the type and kind and in the amounts hereinafter provided, and including insurance for such other risks of a similar or dissimilar nature as are or shall hereafter customarily be covered with respect to other other condominiums similar in construction, design and which insurance shall be governed by the provisions in this numbered section.

Section 1. Types of Insurance Policies. For the benefit of the Association and the owners, the Board of Directors shall obtain and maintain at all times, and shall pay for out of the common expense funds, the following insurance:

- (a) A policy or policies of fire insurance with the extended coverage and special form endorsements, for the full insurable replacement value, if available, of all apartments and common areas, and such other fire and casualty insurance as the Board of Directors shall determine, to give substantially equal or greater protection to the owners and their mortgagees, shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees, of each apartment, if any.
- (b) A policy or policies insuring the Association, its Board of Directors, the unit owners individually, and the manager against any liability to the public or the owners of apartments and their invitees or tenants, incident to the ownership, supervision, control or use of the project. Limits of liability under such insurance shall be not less than \$1,000,000.00 per occurrence for bodily injuries and property damage liability. Such limit and coverage shall be reviewed at least annually by the Board of Directors which may increase the limit of and/or coverage, in its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross liability endorsements wherein the rights of named insured under the policy or policies shall not be prejudiced as respects his, her's or their action against another named insured.
- (c) Workmen's Compensation Insurance to the extent necessary to comply with any applicable laws.
- (d) A fidelity bond naming such persons as may be designated by the Board of Directors as principals and the Association and the owners as obligees, for the amount determined by the Board of Directors. Provided, however, the Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds obtain adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

The Association shall not be responsible for any loss or damage to personal property of any owner, whether stored on the common area or in the owner's apartment, and the Association shall not maintain any insurance coverage for such loss.

Section 2. Insurance Companies Authorized. All policies shall be written by a company licensed to do business in Washington and holding a "Commissioner's Rating" of "A+" and a size rating of "AAA" or better, by Best's Insurance Reports, or as may be otherwise acceptable to all mortgagees and directors.

Section 3. Authority to Adjust Losses. All losses under policies hereafter in force regarding the property shall be settled exclusively with the Board of Directors or its authorized representative; provided, however, that where a first mortgagee has been designated as a loss payee by an apartment owner, such mortgagee shall be entitled to settle losses as to the mortgaged unit, provided that the loss which occurs is severable. Releases and proofs of losses shall be executed by at least two directors.

Section 4. Prohibition of Contribution. In no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder be brought into contribution with insurance purchased by the Association, individual owners or their mortgagees.

Section 5. Value of Owner Improvements. Each owner must inform the Board of Directors of the value of improvements made to his apartment in excess of One Thousand Dollars (\$1,000.00) so that the Board of Directors may make any desired adjustments in insurance coverage. Nothing in this paragraph shall permit the owner to make improvements without first obtaining the approval of the Board of Directors pursuant to Article VI, Section 7 (b).

Section 6. Provisions in Insurance Policies. The Board of Directors shall make every effort to secure insurance policies that will provide for the following:

- (a) A waiver of subrogation by the insurer as to any claims against the Board of Directors, the manager, the apartment owners and their respective servants, agents and guests.

- (b) A provision that the master policy on the condominium cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual owners.
- (c) A provision that the master policy on the condominium cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Board of Directors or the manager without prior demand in writing that the Board of Directors or manager cure the defect.
- (d) A provision that any "no other insurance" clauses in the master policy exclude individual owners' policies from consideration.
- (e) A provision that the insurer issue sub-policies specifying the portion of the master policy ear-marked for each owner's interest and that until the insurer furnishes written notice and a grace period to the mortgagee insured under the loss payable clause thereof, the mortgagee's coverage is neither jeopardized by the conduct of the apartment mortgagee-owner, the Association or other apartment owners nor cancelled for non-payment of premiums.
- (f) A rider on the master policy in the nature of "Use and Occupancy" insurance which will provide relief from monthly assessments while an apartment is uninhabitable by the payment of the condominium expenses thereof and any other fixed costs, including, but without being limited to, taxes, rent, insurance, and mortgage payments.

Section 7. Review of Insurance Policies. At least annually, the Board of Directors shall review all insurance carried by the Association of Apartment Owners, which review shall include an appraisal of all improvements made to the project by a representative of the insurance carrier writing the master policy.

ARTICLE VIII

AMENDMENTS TO BYLAWS

These Bylaws may be amended by the Association in a duly-constituted meeting or ballot meeting called for such purpose, and no amendment shall take effect unless approved by owners holding 60% or more of the voting rights as otherwise set forth in the Declaration. Any amendments adopted hereby shall be reduced in writing, certified by the Chairman and Secretary of the Association of Apartment Owners to be the amendment so adopted by the Association of Apartment Owners, and such amendment so certified shall be recorded in the Auditor's Office of Clark County, Washington. Provided, however, no amendment of these Bylaws reducing or eliminating the right of any first mortgagee shall be made without the prior written consent of such first mortgagees. Provided, further, no amendment of these Bylaws may be made without the consent of the Declarant so long as Declarant owns any apartment in the condominium.

ARTICLE IX

RECORDS AND AUDITS

Section 1. General Records. The Board of Directors and the managing agent or manager, if any, shall keep detailed records of the actions of the Board of Directors and the managing agent or manager, minutes of the meetings of the Board of Directors and minutes of the meetings of the Association. The Board of Directors shall maintain a list of owners entitled to vote at meetings of the Association and the list of all mortgagees of apartments.

Section 2. Records of Receipts and Expenditures. The Board of Directors or its designee shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common areas and facilities, itemizing the maintenance and repair expenses of the common area and facilities and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the apartment owners and mortgagees at convenient hours of weekdays.

Section 3. Assessment Roll. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each apartment. Such account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which the assessment comes due, the amounts paid upon the account and the balance due on the assessments.

Section 4. Payment of Vouchers. The Treasurer shall pay all vouchers up to \$1,000.00 signed by the Chairman, managing agent, manager or other person authorized by the Board of Directors. Any voucher in excess of \$1,000.00 shall require the signature of the Chairman.

Section 5. Reports and Audits. The Board of Directors shall prepare or cause to be prepared an annual report of the receipts and expenditures of the Association and a balance sheet setting forth the financial condition of the Association as at the end of each year. The report shall be prepared according to generally accepted accounting procedures and shall be rendered to all apartment owners and to all mortgagees of apartments who have requested the same within ninety (90) days after the end of each fiscal year. At any time any owner or mortgagee may, at his own expense, cause an audit or inspection to be made of the books and records of the Association.

Section 6. Notice of Sale, Mortgage, Rental or Lease. Immediately upon the sale, mortgage, rental or lease of any apartment, the apartment owners shall promptly inform the secretary or manager of the name and address of said vendee, mortgagee, lessee, or tenant.

ARTICLE X

COMPLIANCE

These Bylaws are intended to comply with the provisions of the Washington Horizontal Property Regimes Act, which are incorporated herein and to supplement the provisions of the Declaration of the Apartment Ownership. In case any of the provisions hereof conflict with the provisions of said statutes, the statutory provisions shall apply. In case of any conflict between the provisions hereof and the Declaration, the provisions in the Declaration shall apply.

ARTICLE XI

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

The Association shall indemnify any Director, officer, employee or agent who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal administrative or investigative (other than an action by the Association) by reason of the fact that he is or was a Director, officer, employee or agent of the Association or is or was serving at the request of the Association as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by said person in connection with such suit, action or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Association, and with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or with a plea of nolo contendere or its equivalent, shall not of itself create a presumption that a person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceedings, had reasonable cause to believe his conduct was unlawful. Payment under this clause may be made during the pendency of such claim, action, suits or proceeding as and when incurred, subject only to the right of the Association, should it be proven at a later time that said person had no right to such payments. All persons who are ultimately held liable for their actions on behalf of the Association as a Director, officer, employee or agent shall have a right of contribution over and against all other Directors, officers, employees or agents and members of the Association who participated with or benefited from the acts which created said liability.

ARTICLE XII

SUITS AND ACTIONS

In the event suit or action is commenced by the Directors for the collection of any amounts due pursuant to these Bylaws or for the enforcement of any provisions of the Bylaws or of the Washington Horizontal Property Regime Act, the owner or owners jointly and severally, will in addition to all other obligations, pay the costs of such suit or action, including reasonable attorneys' fees to be fixed by the trial court and, in the event of an appeal, the cost of the appeal, together with reasonable attorneys' fees in the appellate court to be fixed by such court.

ARTICLE XIII

MISCELLANEOUS

Section 1. Notices. All notices to the Association or to the Board of Directors shall be sent care of the managing agent, or if there is no managing agent, to the principal office of the Association or to such other address as the Board of Directors may hereafter designate from time to time. All notices to any apartment owner shall be sent to such address as may have been designated by him from time to time, in writing, to the Board of Directors, or if no address has been designated, then to the owner's apartment.

Section 2. Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 3. Invalidity: Number: Caption. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws. As used herein, the singular shall include the plural, and the plural the singular. The masculine and neuter shall each include the masculine, feminine and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

It is hereby certified that these Bylaws have been adopted by HAYDEN CORPORATION, Declarant of FAIRWAY VIEW CONDOMINIUMS I-14 and will be recorded in the Auditor's office of Clark County, Washington, together with the Declaration of Apartment Ownership for said condominium.

DATED this 22nd day of January, 1988

HAYDEN CORPORATION

By _____
David S. Larimer, Executive Vice
President

By _____
Roy Brown, Senior Vice President.

STATE OF OREGON)
) ss.
County of Multnomah)

Before me on this 22nd day of July, 1988, personally appeared DAVID S. LARIMER and ROY BROWN, to me known to be the Executive Vice President and Senior Vice President of the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for the
State of OREGON, residing at Portland

9108050227

Amendment #2 to
Fairway View Condominium Bylaws

The Bylaws of Fairway View Condominium originally recorded 1 July 1983, under Auditor's File #830701008, in Clark County, Washington records.

830701008

After Section 4. Budget, add new section 4.1:

Section 4.1. Within thirty days after adoption of any proposed budget for the condominium, the board of directors shall provide a summary of the budget to all the unit owners and shall set a date for a meeting of the unit owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary. Unless at that meeting the owners of units to which a majority of the votes in the association are allocated or any larger percentage specified in the declaration reject the budget, the budget is ratified, whether or not a quorum is present.

In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the unit owners shall be continued until such time as the unit owners ratify a subsequent budget proposed by the board of directors.

I hereby certify that the foregoing Amendment to the Bylaws was approved by a majority of voting owners in person, in writing, or by proxy at a special meeting of the apartment owners held May 28, 1991, with proper notification, and the necessary quorum of members.

FILED FOR RECORD
CLARK CO. WASH
J. Shortall
AUG 5 3 00 PM '91

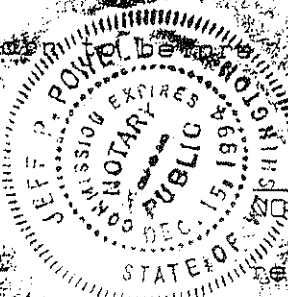
Fairway View Condominium Association
15509 SE Fernwood Drive
Vancouver, WA. 98684

Chairman *James E. Shortall*
James E. Shortall

Secretary *Dorothy M. Potts*
Dorothy Potts

AUDITOR
ELIZABETH A. LUCE

Subscribed and sworn to before me this 21ST day of July 1991



Jeff P. Power
NOTARY PUBLIC in and for the
State of Washington,
residing at Vancouver

My Commission Expires: 1994

① 13719 S 23rd St
5 98684

380

8906160099

Amendments to
Fairway View Condominium Bylaws

The Bylaws of Fairway View Condominium originally recorded July 1, 1983, under Auditors File #830701008, in Clark County, Washington records.

1. Article IV. Board of Directors

Sec. 1 Number and qualifications is ammended as follows: First sentence will read:

The affairs of the Association shall be governed by a Board of Directors composed of five (5) persons, all of whom must be apartment owner or the co-owner of an apartment.

I, hereby certify that the foregoing Ammendment to the Bylaws was approved at a special meeting held Dec. 13, 1989 of the apartment owners, properly notified, with the necessary quorum of members present.

Concerning
Fairway View Condominium Association

Chairman

James R. Eide

James R. Eide

Secretary

Catherine A. Smith

Catherine Smith

Subscribed and sworn to before me this 14th day of June, 1989.

Fairway View Condo

JUN 15 12 41 PM '89

ELIZABETH LUCE



Michael W. Newell
NOTARY PUBLIC in and for
the State of Washington,
residing at Comas

My Commission Expires: 1-19-93.

15509 S.E. Fernwood St
Uauve, Wa. 98684 - 204

FAIRWAY VIEW CONDOMINIUMS BYLAWS
ARTICLE VI, Section 5, Default

"Failure by an owner to pay any assessment of the Association shall be a default by such owner of his obligation pursuant to these Bylaws and the Washington Horizontal Property Regimes Act. In addition to the interest which may be charged on delinquent assessments, the Board of Directors at its option, may impose a late charge penalty in respect to any monthly assessment not paid within ten (10) days from the due date. Such penalty may not exceed the sum of 10% of the month assessment."

Monthly condo dues must be sent to the bank no later than the 15th of each month. A late charge, of 10% of your monthly dues, will be imposed.