

Bylaws with Amendments 1 through 6 Inserted

BYLAWS

OF

CANDLEWOOD RIDGE HOMEOWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION. The name of the corporation is CANDLEWOOD RIDGE HOMEOWNERS' ASSOCIATION, hereinafter referred to as the "Association". The principal address of the corporation shall be P.O. Box 58397, Renton, Washington 98058; but meetings of members and directors may be held at such place within the State of Washington, County of King, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to CANDLEWOOD HOMEOWNERS' ASSOCIATION, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such "additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract purchasers, but, excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Boise Cascade Building Co., its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Director of Records and Elections of King County, Seattle Washington.

Section 8. "Member" shall mean and refer to every person or entity who holds membership in the Association as provided pursuant to the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held during the second half of January at a date and time set by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat (unless a longer period is required pursuant to the Declaration, the Articles of Incorporation or these Bylaws), addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present in person or by proxy at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting (unless notice is required pursuant to the Declaration, Articles of Incorporation or these Bylaws), until a quorum as aforesaid shall be present in person or by proxy.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filled with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors

composed of an odd number of directors, the minimum number of which shall be three (3) and not more than nine (9), who need not be members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect three directors, one of which shall be elected for a term of one year, one for a term of two years and one for a term of three years. Thereafter, directors shall be elected for terms of three (3) years each.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without A Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held

monthly without notice, at such place and hour as may be fixed from time to time by the Board. If the Board sets a certain day of each month for its regular meeting and should said meeting day fall upon a legal holiday, then that meeting shall be held at a date and time set by the Board of Directors.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days' notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and rights to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 30 days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class. A members who are entitled to vote;

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date and/or to bring an action at law or in equity against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of said certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance covering property owned by the Association and the activities of the Association, its employees, Directors, officers, contractors and agents;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained, repaired and restored as may be appropriate.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create,

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the " Board." The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other

offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes in such capacity.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall oversee the receipt and deposit in appropriate bank accounts all monies of the Association and shall oversee the disbursement of such funds as directed by resolution of the Board of Directors; shall co-sign all promissory notes of the Association in such capacity; shall oversee the keeping of proper books of account; cause an annual financial review of the Association books to be made by a public accountant at the completion of each fiscal year; and shall oversee the preparation of an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

(e) Notwithstanding anything to the contrary in these Bylaws, two officers must co-endorse all checks, one of which must be a member of the Board of Directors.

ARTICLE IX

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint such other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records, Declaration, Articles of Incorporation, and Bylaws of the Association shall at all times, during reasonable business hours, be subject to inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 8-1/2 per cent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property in the manner as set forth in the Declaration, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: CANDLEWOOD RIDGE HOMEOWNERS' ASSOCIATION.

ARTICLE XIII

AMENDMENTS

Section 1. These bylaws may be amended, at a regular or special-meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these

Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XV

Enforcement/Attorneys' Fees

SECTION 1. Right to Enforce. The Board of Directors, the Association, and each owner of a lot or property subject to the Declaration, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration, the Articles, these By-Laws of the Association and the rules and regulations promulgated by the Board of Directors. Failure of the Board of Directors, the Association or any such owner to enforce any such restrictions shall in no event be deemed a waiver of the right to do so thereafter.

SECTION 2. Attorneys' Fees and Costs. In the event of a suit or action to enforce any provision(s) of such governing documents, including without limitation to collect any money due or to foreclose a lien or to require compliance with the restrictions, or a suit or action by an owner or owners against the Association pertaining to or involving any aspect of the restrictions or the authority of or interpretation by the Association to apply such restrictions, the prevailing party shall be awarded all reasonable attorneys' fees, costs and expenses incurred, including without limitation charges for consultations with attorneys, preparation of all pleadings and documents reasonably necessary, conducting discovery, and any and all other preparation of the case while litigation is pending, for trial, and for all appeals. Costs and expenses shall include in addition to RCW 4.84.010 all expenses incurred by and for the prevailing party, including without limitation filings fees, depositions (including court reporter fees and transcription costs), legal messengers, postage, photocopying, printing, expert witness fees and costs, and fees for consultants with expertise regarding the subject matter of issues, legal and factual, perceived by the prevailing party and/or its attorney(s). The purpose and intent of this section is that the prevailing party be made whole regarding all fees and costs/expenses of any kind which it may incur due to such litigation.

Further, after award or judgment is entered the prevailing party shall be fully entitled to recover against the losing party all future post-judgment or award costs (as set forth above), attorneys' fees and all expenses which may be incurred in collecting upon and/or enforcing the award or judgment, including without limitation bond costs, sheriff's fees, filing and/or court fees, and all time spent by the prevailing party's attorneys in handling and pursuing

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of
CANDLEWOOD RIDGE HOMEOWNERS ASSOCIATION, INC., a Washington
corporation, and -

THAT the foregoing Bylaws constitute the original
Bylaws of said Association as duly adopted at a meeting of
the Board of Directors thereof, held on the 28th day of
August_____,1976.

IN WITNESS WHEREOF, I have hereunto subscribed my
Hand and affixed the seal of said Association this 28th
day of August_____, 1976.

Janice B. Waude
Secretary