



October 15<sup>th</sup>, 2018

**Re: Capitol City Golf Club Estates**

Dear Homeowner:

The time has come to hold the **Capitol City Golf Club Estates Annual Membership and Budget Ratification meeting**. It has been scheduled for **Thursday, November 15, 2018 at 6:30 pm at the Jacob-Smith House located at 4500 Intelco Loop SE, Lacey, WA 98503.**

Items on the Budget Ratification Agenda include:

- a) Roll call
- b) Proof of notice of meeting (of filing waiver)
- c) Reading summary of minutes of last meeting
- d) 2019 Budget overview/Q&A
- e) Budget Ratification
- f) Adjournment

Items on the Annual Meeting Agenda include:

- a) Roll Call
- b) Proof of notice of meeting (of filing waiver)
- c) Reading summary of minutes of last meeting
- d) Unfinished business/ New business (CCR's & By-Laws Re-write)
- e) Election of officers
- f) Adjournment.

A couple of key points for this meeting and in this mailing are: the 2019 budget in which there are increases, the election of officers for which the Association needs volunteers, and a proposed CCR's & By-laws re-write for which we need 51% of all owners vote to pass. These are crucial items that require your attention and your vote. If you cannot attend the meeting, you can still vote! Enclosed you will find a form to nominate yourself or your neighbors to the Board of Directors as well as a proxy form to vote on all of these key points. **Please fill out and return these forms to us no later than Thursday, November 1<sup>st</sup>. Nominations will also be taken from the floor.**

**Please email or mail the enclosed form to: Capitol City Golf Club Estates c/o VIS Group, Inc 8617 Martin Way East, Lacey, WA 98516 or [info@vismanagement.com](mailto:info@vismanagement.com)**

On the next page you will find a synopsis of the proposed changes and increases submitted by your Vice-President. Please take the time to read through this mailing. Should you have any questions pertaining to this or any other matter, please do not hesitate to **contact our office at (800) 537-9619 or via E-mail at [info@vismanagement.com](mailto:info@vismanagement.com).**

Sincerely,

**VIS Group, Inc.**

*On behalf of Capitol City Golf Club Estates*

## Highlights of the proposed changes to the CAPITOL CITY GOLF CLUB ESTATES CC&R's & By-laws & 2019 Budget Overview

As many of you know, the CC&Rs and Bylaws have not been updated or improved since 2005. A lot has changed since then in our neighborhood and the world. Starting back in 2016, a dedicated taskforce made up of CCGCE board members and homeowners have been working diligently with the Association's attorney on rewriting and updating the CC&Rs and Bylaws. The intent of the group was threefold. First, to update the information so that it complied with all current Washington State and Thurston County regulations. Second, to address changes that have repeatedly been voiced and requested by homeowners in our community. Lastly, to provide clarity to the CCGCE homeowners and residents in regards to readability and reasonableness, while reducing duplications, inconsistencies and errors.

Some of the changes in the CC&Rs are clarifying definitions (Example, Section 7.7.5 and 7.7.6); removing outdated language (Example, Section 1.37) and adding language that is relevant to our ever-increasing use of electronics (Example, Section 4.5). Many of the other changes are captured in section 8.2 and 8.5. These sections comprise of an adjustment to the Architectural Control Committee (ACC) requirements and a much clearer statement of design standards for the community. A few examples are that paint colors are much more clearly stated for dwellings and fences. Auxiliary buildings are limited to 12 feet in height. Fence height has been increased from four feet to six feet. The Bylaws have also received a few changes. Largely in sections 4.8 and 4.10. They do not impact the homeowner on a day to day basis.

All of the changes made in both documents have been read and reread by many people. They were reviewed by the CC&R committee, by the entire Board of Trustees, by VIS Group and vetted by our attorney. We feel strongly that these changes will have a positive impact on our community. But we cannot make these beneficial changes without your help. **In order to pass these changes, we need 51% of homeowners to vote yes. That's 210 homeowners. You do NOT have to come to the meeting to vote!** Enclosed in this mailing is a proxy form that you can fill out and return to VIS' office via email or mail or even simply send it with your neighbor who is attending.

In addition to these document changes, the Association is also changing its assessment payment structure. As you may already know, the Association is critically underfunded in its reserve account. This means that there is minimal money to cover future expenses, specifically the streets. In order to avoid a very large special assessment in just a few short years, it will be necessary to increase the assessments progressively over the next 5 years. In an effort to make this increase less of a financial burden on ourselves and fellow homeowners, the Board has decided to make the assessments due bi-annually instead of in one lump sum at the beginning of the year.

**With this in mind, the 2019 budget will show assessments as:**

**\$160.00 due January 1<sup>st</sup>, 2019**

**\$160.00 due July 1<sup>st</sup>, 2019**

If you have any questions, concerns or just need more information, please contact the VIS Group at 800.537.9619 or [info@vismanagement.com](mailto:info@vismanagement.com).

Sincerely,  
Darrelyn Nuesca  
CCGCE Vice-President

# Capitol City Golf Club Estates Association

## Monthly and Annual Budgets 2019

	Annual	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19
Regular Assessment	133,760	66,880						66,880					
Fines & Penalties	3,750	312	312	312	312	312	312	312	312	312	312	312	318
Late Fees	1,250		500				250						500
Collection Charges	4,500	375	375	375	375	375	375	375	375	375	375	375	375
<b>Total - Revenues</b>	<b>143,260</b>	<b>67,567</b>	<b>1,187</b>	<b>687</b>	<b>687</b>	<b>687</b>	<b>937</b>	<b>67,567</b>	<b>687</b>	<b>687</b>	<b>687</b>	<b>687</b>	<b>1,193</b>

## Expenses

<b>Professional/ Admin Expense</b>													
Association Management	26,712	2,226	2,226	2,226	2,226	2,226	2,226	2,226	2,226	2,226	2,226	2,226	2,226
Base Supply Fee	3,600	300	300	300	300	300	300	300	300	300	300	300	300
Bad Debt/Write-Offs	2,500	208	208	208	208	208	208	208	208	208	208	208	212
Misc Expenses	650	54	54	54	54	54	54	54	54	54	54	54	56
Postage	1,000	83	83	83	83	83	83	83	83	83	83	83	87
Licenses & Permits	10										10		
<b>TOTAL Professional/ Admin Expense</b>	<b>34,472</b>	<b>2,871</b>	<b>2,871</b>	<b>2,871</b>	<b>2,871</b>	<b>2,871</b>	<b>2,871</b>	<b>2,871</b>	<b>2,871</b>	<b>2,871</b>	<b>2,881</b>	<b>2,871</b>	<b>2,881</b>
<b>Insurance</b>													
Insurance	4,000								4,000				
<b>TOTAL Insurance</b>	<b>4,000</b>				<b>4,000</b>								
<b>Legal</b>													
Legal - General	5,000	417	417	417	417	417	417	417	417	417	417	417	413
Legal - Collection	6,000	500	500	500	500	500	500	500	500	500	500	500	500
<b>TOTAL Legal</b>	<b>11,000</b>	<b>917</b>	<b>917</b>	<b>917</b>	<b>917</b>	<b>917</b>	<b>917</b>	<b>917</b>	<b>917</b>	<b>917</b>	<b>917</b>	<b>917</b>	<b>913</b>
<b>Adult/ Taxes</b>													
Adult/Tax Return	2,600												2,600

## Monthly and Annual Budgets 2019

	Annual	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19
Taxes	3,600		3,500										100
<b>TOTAL Adul/ Taxes</b>	<b>6,200</b>		3,500										2,600
<b>Utilities</b>													
Electricity	10,000	833	833	833	833	833	833	833	833	833	833	833	837
<b>TOTAL Utilities</b>	<b>10,000</b>	<b>833</b>	<b>833</b>	<b>833</b>	<b>833</b>	<b>833</b>	<b>833</b>	<b>833</b>	<b>833</b>	<b>833</b>	<b>833</b>	<b>833</b>	<b>837</b>
<b>Reserves</b>													
Reserve Contributions	28,608	2,384	2,384	2,384	2,384	2,384	2,384	2,384	2,384	2,384	2,384	2,384	2,384
Reserve Study Expense	1,180	1,180											
<b>TOTAL Reserves</b>	<b>29,788</b>	<b>3,564</b>	<b>2,384</b>	<b>2,384</b>	<b>2,384</b>	<b>2,384</b>	<b>2,384</b>	<b>2,384</b>	<b>2,384</b>	<b>2,384</b>	<b>2,384</b>	<b>2,384</b>	<b>2,384</b>
Milage Costs	150	12	12	12	12	12	12	12	12	12	12	12	18
Compliance Processing Admin Fee	250	21	21	21	21	21	21	21	21	21	21	21	19
Emergency Fund	1,000	83	83	83	83	83	83	83	83	83	83	83	87
Maintenance - Street Maintenance	25,000	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,087
Maintenance - Speed Bump Maintenance	5,000						5,000						
Maintenance - Mailbox	2,000	2,000											
Maintenance - Street Sweeping	1,700	1,700											
Maintenance - Drain Cleaning	10,000	10,000											
Maintenance - Sign Maintenance	500	42	42	42	42	42	42	42	42	42	42	42	38
Website Hosting	2,200	183	183	183	183	183	183	183	183	183	183	183	187
<b>Total - Expenses</b>	<b>143,260</b>	<b>24,309</b>	<b>12,929</b>	<b>9,429</b>	<b>13,429</b>	<b>9,429</b>	<b>14,429</b>	<b>9,429</b>	<b>9,429</b>	<b>9,429</b>	<b>9,439</b>	<b>12,029</b>	<b>9,551</b>
<b>Net Income</b>	<b>0</b>	<b>43,258</b>	<b>(11,742)</b>	<b>(8,742)</b>	<b>(12,742)</b>	<b>(8,742)</b>	<b>(13,492)</b>	<b>58,138</b>	<b>(8,742)</b>	<b>(8,742)</b>	<b>(8,752)</b>	<b>(11,342)</b>	<b>(8,358)</b>



**Capitol City Golf Club Estates  
Board of Trustees Nomination Form**

*There are several openings on the Board of Trustees for the upcoming year. Please write-in the names of individuals that you wish to nominate for the Board of Trustees.*

**Information about You:**

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Information about your Nominee(s):**

*(As much information as you are able to provide)*

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

Has Nominee Accepted this Nomination?      Yes                      No

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

Has Nominee Accepted this Nomination?      Yes                      No

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

Has Nominee Accepted this Nomination?      Yes                      No

\_\_\_\_\_  
Owner Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Owner Signature

\_\_\_\_\_  
Date

Additional copies of this form may be downloaded from the CCGCE/ VIS Website at:  
[www.vismanagement.com](http://www.vismanagement.com). See tab "Forms". Mail completed form to the VIS Address above or e-mail to [info@vismanagement.com](mailto:info@vismanagement.com).



## Assessment and Reserve Funding Disclosure Summary

### Capitol City Golf Club Estates, Olympia

For Fiscal Year Beginning: 1/1/2019

# of units: 413

1) Budgeted Amounts:	Total	Average Per Unit*
Reserve Contributions:	\$2,384.00	\$5.77
Total Assessment Income:	\$11,147.00	\$26.99

per: Month

Recommended Amounts:	Total	Average Per Unit*
Reserve Contributions:	\$4,300.00	\$10.41
Funding Plan Objective:	Full Funding	

per: Month

- 2) Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Year	Total Amount Per Unit*	Purpose
Total: \$0.00		

- 3) Based on the most recent Reserve Study and other information available to the Board of Directors, at this point in time does it appear that currently projected Reserve account balances will be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? **No**
- 4) If the answer to #3 is no, what additional assessments or other contributions/loans to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Average Total Amount Per Unit*
2034	\$1,825.67

Total: \$1,825.67

- 5) All major components appropriate for Reserve Funding (components that are a common area maintenance responsibility with a limited life expectancy and predictable remaining useful life, above a minimum threshold cost of significance) are included in this Reserve Funding Plan: **Yes**

6) All computations/disclosures are based on the fiscal year start date of:	1/1/2019
Fully Funded Balance (based on RCW 64.34.020(24) or RCW 64.38.010(9)):	\$736,134
Projected Reserve Fund Balance:	\$139,157
Percent Funded:	18.9 %
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$1,445

From the 2/23/2018 Reserve Study by Association Reserves and any minor changes since that date.

\* If assessments vary by the size or type of unit, allocate per unit per the attached.

- 7) See attached 30-yr Summary Table, showing the projected Reserve Funding Plan, Reserve Balance, Percent Funded, and assumptions for interest and inflation.

**Prepared by: Rachel Drew**

**Date: 10/12/2018**

*The financial representations at the time of preparation are based on the Reserve Study for the fiscal year shown at the top of this page and the best estimates of the preparer. These estimates should be expected to change from year to year. Some information on this form has been provided to Association Reserves, and has not been independently verified.*

30-Year Reserve Projections as Recommended in Reserve Study

30110-2

Fiscal Year Start: 1/1/2019	Interest: 1.00 %	Inflation: 3.00 %
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)	Projected Reserve Balance Changes	

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Increase In Annual Reserve Contribs. %	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2019	\$139,157	\$736,134	18.9 %	High	330.00 %	\$51,600	\$0	\$1,657	\$0
2020	\$192,414	\$792,729	24.3 %	High	8.50 %	\$55,986	\$0	\$2,214	\$0
2021	\$250,614	\$853,164	29.4 %	High	8.50 %	\$60,745	\$0	\$2,823	\$0
2022	\$314,182	\$918,792	34.2 %	Medium	8.50 %	\$65,908	\$0	\$3,487	\$0
2023	\$383,577	\$993,461	38.6 %	Medium	8.50 %	\$71,510	\$0	\$4,213	\$0
2024	\$459,300	\$1,095,974	41.9 %	Medium	8.50 %	\$77,589	\$0	\$4,639	\$72,571
2025	\$468,958	\$1,091,622	43.0 %	Medium	8.50 %	\$84,184	\$0	\$5,134	\$0
2026	\$558,275	\$1,163,012	48.0 %	Medium	8.50 %	\$91,339	\$0	\$6,067	\$0
2027	\$655,682	\$1,237,703	53.0 %	Medium	8.50 %	\$99,103	\$0	\$6,695	\$77,653
2028	\$683,827	\$1,235,846	55.3 %	Medium	8.50 %	\$107,527	\$0	\$7,410	\$0
2029	\$798,764	\$1,315,146	60.7 %	Medium	8.50 %	\$116,667	\$0	\$8,610	\$0
2030	\$924,041	\$1,398,092	66.1 %	Medium	8.50 %	\$126,583	\$0	\$9,919	\$0
2031	\$1,060,543	\$1,484,831	71.4 %	Low	8.50 %	\$137,343	\$0	\$11,344	\$0
2032	\$1,209,230	\$1,575,516	76.8 %	Low	8.50 %	\$149,017	\$0	\$12,896	\$0
2033	\$1,371,143	\$1,670,306	82.1 %	Low	8.50 %	\$161,684	\$0	\$14,587	\$0
2034	\$1,547,414	\$1,769,365	87.5 %	Low	8.50 %	\$175,427	\$0	\$7,822	\$1,712,985
2035	\$17,677	\$118,536	14.9 %	High	-55.85 %	\$77,450	\$0	\$567	\$0
2036	\$95,694	\$184,370	51.9 %	Medium	3.00 %	\$79,774	\$0	\$1,362	\$0
2037	\$176,829	\$254,047	69.6 %	Medium	3.00 %	\$82,167	\$0	\$2,074	\$22,983
2038	\$238,087	\$304,067	78.3 %	Low	3.00 %	\$84,632	\$0	\$2,817	\$0
2039	\$325,536	\$381,241	85.4 %	Low	3.00 %	\$87,171	\$0	\$3,708	\$0
2040	\$416,414	\$462,773	90.0 %	Low	3.00 %	\$89,786	\$0	\$4,634	\$0
2041	\$510,834	\$548,853	93.1 %	Low	3.00 %	\$92,479	\$0	\$5,596	\$0
2042	\$608,910	\$639,682	95.2 %	Low	3.00 %	\$95,254	\$0	\$6,596	\$0
2043	\$710,759	\$735,467	96.6 %	Low	3.00 %	\$98,111	\$0	\$7,633	\$0
2044	\$816,504	\$836,422	97.6 %	Low	3.00 %	\$101,055	\$0	\$8,052	\$131,070
2045	\$794,540	\$807,771	98.4 %	Low	3.00 %	\$104,086	\$0	\$8,505	\$0
2046	\$907,131	\$915,700	99.1 %	Low	3.00 %	\$107,209	\$0	\$9,652	\$0
2047	\$1,023,991	\$1,029,379	99.5 %	Low	3.00 %	\$110,425	\$0	\$10,071	\$153,406
2048	\$991,082	\$991,046	100.0 %	Low	3.00 %	\$113,738	\$0	\$10,528	\$0



**30-Year Reserve Projections at Board of Directors Budgeted Rate 30110-2**

Fiscal Year Start: 1/1/2019	Interest: 1.00 %	Inflation: 3.00 %
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)	Projected Reserve Balance Changes	

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase In Annual Reserve Contribs.	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2019	\$139,157	\$736,134	18.9 %	High	138.40 %	\$28,608.00	\$0	\$1,542	\$0
2020	\$169,307	\$792,729	21.4 %	High	8.50 %	\$31,039.68	\$0	\$1,857	\$0
2021	\$202,203	\$853,164	23.7 %	High	8.50 %	\$33,678.05	\$0	\$2,200	\$0
2022	\$238,082	\$918,792	25.9 %	High	8.50 %	\$36,540.69	\$0	\$2,575	\$0
2023	\$277,198	\$993,461	27.9 %	High	8.50 %	\$39,646.65	\$0	\$2,984	\$0
2024	\$319,828	\$1,095,974	29.2 %	High	8.50 %	\$43,016.61	\$0	\$3,065	\$72,571
2025	\$293,339	\$1,091,622	26.9 %	High	8.50 %	\$46,673.02	\$0	\$3,181	\$0
2026	\$343,193	\$1,163,012	29.5 %	High	8.50 %	\$50,640.23	\$0	\$3,702	\$0
2027	\$397,535	\$1,237,703	32.1 %	Medium	8.50 %	\$54,944.65	\$0	\$3,880	\$77,653
2028	\$378,706	\$1,235,846	30.6 %	Medium	8.50 %	\$59,614.94	\$0	\$4,104	\$0
2029	\$442,425	\$1,315,146	33.6 %	Medium	8.50 %	\$64,682.21	\$0	\$4,769	\$0
2030	\$511,877	\$1,398,092	36.6 %	Medium	8.50 %	\$70,180.20	\$0	\$5,495	\$0
2031	\$587,552	\$1,484,831	39.6 %	Medium	8.50 %	\$76,145.52	\$0	\$6,285	\$0
2032	\$669,983	\$1,575,516	42.5 %	Medium	8.50 %	\$82,617.89	\$0	\$7,146	\$0
2033	\$759,746	\$1,670,306	45.5 %	Medium	8.50 %	\$89,640.41	\$0	\$8,083	\$0
2034	\$857,469	\$1,769,365	48.5 %	Medium	8.50 %	\$97,259.84	\$0	\$498	\$1,712,985
2035	-\$757,758	\$118,536	0.0 %	High	-20.37 %	\$77,450.00	\$0	\$0	\$0
2036	-\$680,308	\$184,370	0.0 %	High	3.00 %	\$79,773.50	\$0	\$0	\$0
2037	-\$600,534	\$254,047	0.0 %	High	3.00 %	\$82,166.71	\$0	\$0	\$22,983
2038	-\$541,351	\$304,067	0.0 %	High	3.00 %	\$84,631.71	\$0	\$0	\$0
2039	-\$456,719	\$381,241	0.0 %	High	3.00 %	\$87,170.66	\$0	\$0	\$0
2040	-\$369,548	\$462,773	0.0 %	High	3.00 %	\$89,785.78	\$0	\$0	\$0
2041	-\$279,762	\$548,853	0.0 %	High	3.00 %	\$92,479.35	\$0	\$0	\$0
2042	-\$187,283	\$639,682	0.0 %	High	3.00 %	\$95,253.73	\$0	\$0	\$0
2043	-\$92,029	\$735,467	0.0 %	High	3.00 %	\$98,111.34	\$0	\$0	\$0
2044	\$6,082	\$836,422	0.7 %	High	3.00 %	\$101,054.68	\$0	\$0	\$131,070
2045	-\$23,934	\$807,771	0.0 %	High	3.00 %	\$104,086.32	\$0	\$282	\$0
2046	\$80,435	\$915,700	8.8 %	High	3.00 %	\$107,208.91	\$0	\$1,347	\$0
2047	\$188,990	\$1,029,379	18.4 %	High	3.00 %	\$110,425.18	\$0	\$1,683	\$153,406
2048	\$147,693	\$991,046	14.9 %	High	3.00 %	\$113,737.94	\$0	\$2,055	\$0

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

**AFTER RECORDING, RETURN TO:**

Barker Martin, P.S.  
719 - 2<sup>nd</sup> Avenue, Suite 1200  
Seattle, WA 98104

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

**AMENDED & RESTATED DECLARATION  
FOR CAPITOL CITY GOLF CLUB ESTATES**

GRANTOR(S):	CAPITOL CITY GOLF CLUB ESTATES ASSOCIATION, a Washington nonprofit corporation
GRANTEE(S):	CAPITOL CITY GOLF CLUB ESTATES ASSOCIATION, a Washington nonprofit corporation; CAPITOL CITY GOLF CLUB ESTATES; THE GENERAL PUBLIC
LEGAL DESCRIPTION:	CAPITOL CITY GOLF CLUB ESTATES, VOL 14 OF PLATS, PGS. 51-55, THURSTON COUNTY RECORDER'S NO. 668071, AS AMENDED OF RECORD;  PROPERTY LOCATED W 3/4, N 1/2, SEC. 4, T17N, R1W W.M., COUNTY OF THURSTON, STATE OF WASHINGTON

226834\_11

## **AMENDED & RESTATED DECLARATION FOR CAPITOL CITY GOLF CLUB ESTATES**

WHEREAS, on December 26, 1962, an instrument titled “Covenants Applicable to Capitol City Golf Club Estates” was recorded in the real property records of Thurston County at Volume 369 of Deeds, Pages 220 – 232 (as amended by the First, Second and Third Amendments, the “Original Declaration”) and, on December 2, 1962, a Plat Map for Capital City Golf Club Estates was recorded in the real property records of Thurston County at Volume 14 of Plats, Pages 50-55 (as amended of record, the “Plat Map”), thereby submitting the real property set forth in the Plat to the covenants set forth in the Original Declaration; and

WHEREAS, the Plat Map was corrected by an instrument recorded on June 18, 1963, at Thurston County Auditor’s No. 679936 and, on March 23, 1987, an instrument titled “Amended Plat of Capital City Golf Club Estates” was recorded at Volume 23 of Plats, Pages 16-21, Thurston County Auditor’s No. 8703230152; and

WHEREAS, the Original Declaration was amended three times by three recorded instruments, each one wholly amending, superseding and replacing the version of the Original Declaration that preceded it. The first instrument, titled “Amended Declaration of Covenants, Conditions and Restrictions of Capitol City Golf Club Estates,” was recorded December 16, 1977, at Thurston County Auditor’s No. 10201104. The second instrument, titled “Second Amended Declaration to Covenants, Conditions and Restrictions of Capitol City Golf Club Estates,” was recorded November 20, 1987, at Thurston County Auditor’s No. 8711200083. The third instrument, titled “Third Amended Declaration of Covenants, Conditions and Restrictions of Capitol City Golf Club Estates,” was recorded December 22, 2005 at Thurston County Auditor’s No. 3795417; and

WHEREAS, since it was originally recorded, the Declaration has served to direct the Capitol City Golf Club Estates Association in meeting the purposes for which it was created, including but not limited to, the provision of services to members, and enforcement of the protective covenants and architectural controls that similarly burden and benefit all Association members; and

WHEREAS, the First, Second and Third versions of the Amended Declaration of Covenants inadvertently or impermissibly failed to recognize certain commercial use covenants applicable to Lots 230-233; and

WHEREAS, to incorporate numerous changes and improvements, including but not limited to governance procedures and principles from the Washington Homeowners’ Associations Act, Chapter 64.38 RCW, the Board of Trustees and requisite number of members have consented to amend and restate the Original Declaration as set forth in this Amended and Restated Declaration; and

WHEREAS, the Board of Trustees believes the amendments contained herein are in the best interests of the Association.

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

NOW THEREFORE, the President and Secretary of the Association Board of Trustees certify that the Original Declaration shall be amended in the following particulars:

**A. AMENDED AND RESTATED.** *The Original Declaration, including all amendments thereto, shall be completely amended, restated, and replaced by this Amended and Restated Declaration.*

**B. PLAT MAP UNCHANGED.** *The Plat Map and legal description of the real property in Capitol City Golf Club Estates, as amended, is unchanged hereby and shall remain in effect.*

**C.** *This Amended and Restated Declaration shall take effect upon recording.*

## **AMENDED & RESTATED DECLARATION FOR CAPITOL CITY GOLF CLUB ESTATES**

WHEREAS, on December 26, 1962, an instrument titled “Covenants Applicable to Capitol City Golf Club Estates” was recorded in the real property records of Thurston County at Volume 369 of Deeds, Pages 220 – 232 (as amended by the First, Second and Third Amendments, the “Original Declaration”) and, on December 2, 1962, a Plat Map for Capital City Golf Club Estates was recorded in the real property records of Thurston County at Volume 14 of Plats, Pages 50-55 (as amended of record, the “Plat Map”), thereby submitting the real property set forth in the Plat to the covenants set forth in the Original Declaration; and

WHEREAS, the Plat Map was corrected by an instrument recorded on June 18, 1963, at Thurston County Auditor’s No. 679936 and, on March 23, 1987, an instrument titled “Amended Plat of Capital City Golf Club Estates” was recorded at Volume 23 of Plats, Pages 16-21, Thurston County Auditor’s No. 8703230152; and

WHEREAS, the Original Declaration was amended three times by three recorded instruments, each one wholly amending, superseding and replacing the version of the Original Declaration that preceded it. The first instrument, titled “Amended Declaration of Covenants, Conditions and Restrictions of Capitol City Golf Club Estates,” was recorded December 16, 1977, at Thurston County Auditor’s No. 10201104. The second instrument, titled “Second Amended Declaration to Covenants, Conditions and Restrictions of Capitol City Golf Club Estates,” was recorded November 20, 1987, at Thurston County Auditor’s No. 8711200083. The third instrument, titled “Third Amended Declaration of Covenants, Conditions and Restrictions of Capitol City Golf Club Estates,” was recorded December 22, 2005 at Thurston County Auditor’s No. 3795417; and

WHEREAS, since it was originally recorded, the Declaration has served to direct the Capitol City Golf Club Estates Association in meeting the purposes for which it was created, including but not limited to, the provision of services to members, and enforcement of the protective covenants and architectural controls that similarly burden and benefit all Association members; and

WHEREAS, the First, Second and Third versions of the Amended Declaration of Covenants inadvertently or impermissibly failed to recognize certain commercial use covenants applicable to Lots 230-233; and

WHEREAS, to incorporate numerous changes and improvements, including but not limited to governance procedures and principles from the Washington Homeowners’ Associations Act, Chapter 64.38 RCW, the Board of Trustees and requisite number of members have consented to amend and restate the Original Declaration as set forth in this Amended and Restated Declaration; and

WHEREAS, the Board of Trustees believes the amendments contained herein are in the best interests of the Association.

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

NOW THEREFORE, the President and Secretary of the Association Board of Trustees certify that the Original Declaration shall be amended in the following particulars:

- A. AMENDED AND RESTATED.** *The Original Declaration, including all amendments thereto, shall be completely amended, restated, and replaced by this Amended and Restated Declaration.*
- B. PLAT MAP UNCHANGED.** *The Plat Map and legal description of the real property in Capitol City Golf Club Estates, as amended, is unchanged hereby and shall remain in effect.*
- C. This Amended and Restated Declaration shall take effect upon recording.**

**AMENDED & RESTATED DECLARATION  
FOR CAPITOL CITY GOLF CLUB ESTATES**

**TABLE OF CONTENTS**

<b>ARTICLE 1.</b>	<b>DEFINITIONS .....</b>	<b>1</b>
<b>ARTICLE 2.</b>	<b>DECLARATION CONSTRUCTION &amp; VALIDITY .....</b>	<b>4</b>
<b>ARTICLE 3.</b>	<b>DESCRIPTION OF PROPERTY, EASEMENTS &amp; DEDICATION .....</b>	<b>4</b>
<b>ARTICLE 4.</b>	<b>LOTS .....</b>	<b>5</b>
<b>ARTICLE 5.</b>	<b>COMMON AREAS .....</b>	<b>9</b>
<b>ARTICLE 6.</b>	<b>MAINTENANCE &amp; REPAIR RESPONSIBILITIES .....</b>	<b>10</b>
<b>ARTICLE 7.</b>	<b>RULES; PERMITTED USES .....</b>	<b>10</b>
<b>ARTICLE 8.</b>	<b>ARCHITECTURAL CONTROL.....</b>	<b>13</b>
<b>ARTICLE 9.</b>	<b>OWNERS' ASSOCIATION.....</b>	<b>16</b>
<b>ARTICLE 10.</b>	<b>MEETINGS, QUORUM &amp; VOTING .....</b>	<b>19</b>
<b>ARTICLE 11.</b>	<b>BUDGETS, ASSESSMENTS, RESERVES .....</b>	<b>20</b>
<b>ARTICLE 12.</b>	<b>ENFORCEMENT .....</b>	<b>25</b>
<b>ARTICLE 13.</b>	<b>LIABILITY; INDEMNIFICATION .....</b>	<b>26</b>
<b>ARTICLE 14.</b>	<b>INSURANCE.....</b>	<b>27</b>
<b>ARTICLE 15.</b>	<b>AMENDMENTS .....</b>	<b>28</b>
<b>ARTICLE 16.</b>	<b>MISCELLANEOUS .....</b>	<b>29</b>

## ARTICLE 1. DEFINITIONS

1.1 Words Defined. For the purposes of this Declaration, the following definitions shall apply. The singular form of words shall include the plural and the plural shall include the singular. Masculine, feminine, and gender-neutral pronouns shall be used interchangeably. The definitions in this Declaration are not intended to limit or contradict the definitions in the Homeowners Association Act, but may be intended to clarify or supplement those definitions and shall be interpreted to be consistent with the Act wherever possible.

1.2 “Accessory Building” shall mean any Structure on a Lot besides the Single-family or Multi-family residence(s). Accessory Buildings include, but are not limited to, sheds for storage of garden tools, household supplies and/or equipment and the like, greenhouses, and outdoor living spaces such as gazebos.

1.3 “Act” or “HOA Act” shall mean the Washington Homeowners Association Act, Chapter 64.38 of the Revised Code of Washington, as it may be amended from time to time.

1.4 “Architectural Compliance Committee” or “ACC” means a committee of the Board designated by that name, or, in the absence of such committee, shall mean the Board.

1.5 “Assessments” shall mean all sums chargeable by the Association against a Lot or Lot Owner, including, without limitation: (a) Regular and Special Assessments for Common Expenses; (b) charges and fines levied by the Association; (c) fees charged for services; (d) interest and late charges on any delinquent account; and (e) any and all costs incurred by the Association, including attorneys’ fees, in connection with the collection of delinquent assessments or enforcement of any provision of the Governing Documents.

1.6 “Association” shall mean the non-profit corporation and any successor entity thereof, identified in ARTICLE 9, organized to manage the affairs of Capitol City Golf Club Estates consistent with the Act and the Governing Documents, the membership of which is comprised of all Lot Owners.

1.7 “Association Records” shall mean the records required to be kept and made available to Owners for review as further provided in Section 16.2.

1.8 “Board of Trustees” or “Board” shall mean the governing body of the Association, elected pursuant to the Association’s Bylaws.

1.9 “Bylaws” shall mean the bylaws of the Association, as amended from time to time.

1.10 “Capitol City Golf Club Estates” shall mean the Planned Unit Development created pursuant to the Plat Map and the Original Declaration.

1.11 “Capital Improvement” shall mean an addition or significant improvement to Capitol City Golf Club Estates that is not for the purposes of restoring, repairing or replacing pre-existing portions of the Common Areas.

1.12 “Common Areas” shall mean all portions of the Property that are not Lots as further described in ARTICLE 5.



[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

1.13 “Common Expenses” shall mean all expenditures made by or financial liabilities of the Association, including any allocations to reserves, as further described in Section 11.1.

1.14 “Common Wall” shall mean any wall (including patio walls) that divides Dwelling Units on a Multi-Family Lot so that the wall is shared between them, the boundaries of which are the surface of structural elements or studs, such that any sheetrock, gypsum board, plaster, or other interior finished surface is part of the Dwelling Unit and not part of the Common Wall.

1.15 “Declaration” shall mean this Amended and Restated Declaration for Capitol City Golf Club Estates, and any subsequent amendments thereto.

1.16 “Dwelling Unit” shall mean the entire single-family residence on any Lot, or the portion of the multi-family building designated for use and occupancy as a residence by a single family on any Lot, including within the Dwelling Unit, Common Walls and the exterior of the multi-unit building immediately adjacent to the Dwelling Unit, including the roof, attic, garage and storage spaces.

1.17 “Governing Documents” shall mean the collective group of documents that control the governance and administration of Capitol City Golf Club Estates and the Association, consisting of this Declaration, the Bylaws, the Articles of Incorporation, and the Rules, as any of them may be amended from time to time.

1.18 *[Section reserved for future use]*

1.19 “Individually Allocated Assessment” shall mean certain expenditures or liabilities of the Association, whether Common Expenses or not, which may be directly allocated to one or more individual Lots or Owners under the Act or this Declaration.

1.20 “Lease” or “Leasing” shall mean the grant of an exclusive right to use or occupy a Lot or Dwelling Unit to a non-Owner in exchange for receiving money or other goods or services of value, regardless of the duration of the lease or rental, the form of agreement, or payor; provided that co-habitation with a Lot’s Owner is not Leasing, co-ownership of a Lot is not Leasing, and provided that occupation of a Lot by a person who is closely related to the Lot Owner by blood, marriage, domestic partnership or lawful adoption is not Leasing.

1.21 “Lot” shall mean a parcel of real property designated for separate ownership on the Plat Map, including Residential Lots and parcels restricted to commercial use, but not including Common Areas.

1.22 “Managing Agent” shall mean a person or entity engaged by the Board on behalf of the Association to assist in administration or management of any portion of Capitol City Golf Club Estates or the Association.

1.23 “Mortgage” shall mean a recorded mortgage, deed of trust or real estate installment sales contract against any Lot.

1.24 “Multi-Family Lot” means any of Lots 279 through 282, and 501-505 of the Property, inclusive, as described in Section 4.1.2.

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

1.25 “Officer” shall mean the President, Vice-President, Secretary and Treasurer of the Association, as elected or appointed by the Trustees.

1.26 “Original Declaration” shall mean the “Covenants Applicable to Capitol City Golf Club Estates”, recorded in Thurston County at Thurston County Recorder’s No. 670745, and any amendments thereto prior to the effective date of this Declaration.

1.27 “Owner” shall mean the person holding fee simple title to a Single-Family Lot or Multi-Family Dwelling Unit, of record, including any natural person, corporation, partnership, limited liability company, association, trustee or other legal entity; or in the event any Lot or Dwelling Unit is sold under a real estate installment sales contract, the record vendee or vendees under said contract, but not including those having an interest in the Lot merely as security for the performance of an obligation.

1.28 “Planned Unit Development” shall mean a housing development created in accordance with the specific scheme or plan of the developer and reflected on the Plat Map. A Planned Unit Development (“PUD”) is not a condominium.

1.29 “Plat Map” shall mean the original plat map creating Capitol City Golf Club Estates, recorded at Thurston County Recording No. 669686, and the Amended Plat, recorded at Thurston County Recording No. 8703230152, and any recorded amendments, additions, or adjustments thereto.

1.30 “Property” or “Estates” shall mean the real property comprising Capitol City Golf Club Estates, legally described in the Plat Map, including all buildings, improvements and structures thereon, except any real property deeded and/or dedicated to the City, all of which is subject to the provisions of this Declaration.

1.31 “Residential Lot” shall mean a physical portion of the Property, whether improved or unimproved, designated for residential development, as depicted and numbered in the Plat Map, as more particularly described in ARTICLE 4. “Residential Lot” shall include both Multi-Family and Single-Family Lots in the Estates.

1.32 “Residents” shall mean the Lot Owners and occupants of Lots, including their Tenants, agents, guests, invitees and licensees.

1.33 “Rules” shall mean the rules and regulations adopted by the Association pursuant to the Act and the Declaration, including, but not limited to, house rules, regulations, resolutions, fine schedules, fee schedules, collection policies, enforcement policies and other policies as adopted by the Board, as amended from time to time.

1.34 “Single-Family Lot” means the Lots described in Section 4.1.1.

1.35 “Street” shall mean the private roadways within the Property that are not part of Lots, as depicted in the Plat Map.

1.36 “Tenant” shall mean a natural person, corporation, partnership, limited partnership, limited liability company, trust, governmental subdivision or agency, or other person or entity who occupies a lot by Lease.

1.37 “Total Voting Power” shall mean the total of the votes assigned to the Lots owned by Owners at the time of the deadline for such voting, irrespective of other conditions precedent to voting and regardless of the number of votes represented at any meeting.

1.38 “Trustee” shall mean a member of the Board of Trustees of the Association.

1.39 “WCIOA” shall mean the Washington Common Interest Ownership Act, Chapter 64.90 of the Revised Code of Washington, as it may be amended from time to time.

## **ARTICLE 2. DECLARATION CONSTRUCTION & VALIDITY**

2.1 Creation; Covenants Run With the Land. The original developer created Capitol City Golf Club Estates by recording (and amending) the Plat Map and subjecting the real property in the Plat Map to the Original Declaration. As a result, all Property, including Lots and Common Areas are and shall be held, used, conveyed, encumbered, leased, occupied, rented and improved subject to the Declaration, as amended, including this Declaration, and Plat Map, all of which shall be deemed to run with the land and constitute a burden and benefit to all persons who own, hold or acquire an interest in the Property or any part thereof, and their grantees, successors, heirs, executors, administrators, and assigns.

2.2 Consistent with the Act. This Declaration was adopted to incorporate provisions of the HOA Act and WCIOA and to make improvements to the governance structure and administrative tools available to the Association. However, no title to a Lot, Living Unit or Common Area shall be impaired, rendered invalid or unmarketable, or otherwise affected by an insignificant failure of this Declaration, the Plat Map, or any amendment thereto, to comply with HOA Act, WCIOA or any other law. The terms used herein are intended to have the same meaning as given in the HOA Act unless an alternative meaning is specifically provided for, the context clearly requires otherwise or application of the HOA Act, or to so define the term would produce an illegal or clearly improper result.

2.3 Liberally Construed. The contents of this Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan for the operation of Capitol City Golf Club Estates under the Act and other laws of the State of Washington. The provisions of this Declaration and the provisions of the HOA Act and WCIOA shall be liberally construed and administered to effectuate the intent and purpose of this Declaration and any amendments thereto.

## **ARTICLE 3. DESCRIPTION OF PROPERTY, EASEMENTS & DEDICATION**

3.1 Legal Description. Capitol City Golf Club Estates consists of the Property legally described in and as reflected in the Plat Map, as amended.

3.2 Description of Buildings & Improvements. Capitol City Golf Club Estates is a Planned Unit Development consisting of Common Areas and Lots, as depicted in the Plat Map, as it may be amended from time to time. The Estates is primarily comprised of Residential Lots, which consist of both Single-Family and Multi-Family Lots, upon which single-family and multi-family

residences are constructed. At the time of recording of this Amended and Restated Declaration, the multi-family residences include duplexes, as well as an eight-unit condominium complex constructed on a portion of Lot 504. Several Lots in the Estates are commercial in nature. The commercial Lots are restricted to use as a golf course and related recreational and maintenance activities; however, membership in the Association does not include membership in the golf course or guarantee use of such facilities to Owners, Association members, residents or guests. At the time of recording of this Amended and Restated Declaration, the Common Areas of the Association primarily consist of the roadways designated as private roads within the Estates, and there are no Common Area “parks” or “recreational facilities” in the Estates.

3.3 Water System and Roadway Dedication. By virtue of owning a Lot within the Estates, all Owners dedicate the use of all Lots within the Plat Map and all roadways designated as private roads (“Streets”) on said Plat Map for ingress and egress to, from, and between such Lots and the nearby public roads, and do further dedicate to the use of all said Lots the easements over all areas designated as easement areas on the Plat Map. The easements generally consist of ten foot (10’) wide strips on each side of all platted Streets for the installation, maintenance and operation of utility service systems serving the Estates. All Residential Lots within the Property are served by the City of Lacey Water Department, and as long as water for said Lots is available through such system, no private water system shall be provided upon or maintained by the Owner of any Residential Lot within the Property.

#### **ARTICLE 4. LOTS**

4.1 Residential Lots. The Residential Lots in Capitol City Golf Club Estates, as described herein, are depicted on the Plat Map. Except as specifically provided in this Declaration, all Dwelling Units and Residential Lots within Capitol City Golf Club Estates are intended for and restricted to residential use on an ownership, rental, or lease basis and for social, recreational and other reasonable activities normally incident to residential use, including use as a home office that does not involve use by nonresident employees or regular visits by customers or clients.

4.1.1 Lots 1 to 278 and 283 to 407 are reserved for use as Single-Family Lots, meaning only one Dwelling Unit may be constructed on each such Lot, together with such Accessory Buildings as may be authorized herein. Notwithstanding the above, at the time of recording of this Declaration, Lots 230 to 232 are used for golf course parking areas, and Lots 283, 285 and 286 have duplexes constructed on them.

4.1.2 Lots 279 through 282 are specifically reserved for use as Single-Family Lots or Multi-Family Lots, meaning more than one Dwelling Unit may be constructed on each such Lot, together with such Accessory Buildings as may be authorized herein. Notwithstanding the above, at the time of recording of this Declaration, Lot 283 contains a duplex.

4.1.3 Lots 501 through 505 are Multi-Family Lots and may be used for the construction of single-family attached or detached housing as defined and permitted by

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

Thurston County Ordinances, provided the design aesthetics are pre-approved in writing by the ACC. Notwithstanding the above, at the time of recording of this Declaration, portions of Lots 503, 504 and 505 are used for golf course purposes; and, at the time of recording of this Declaration, the Capitol City Townhomes, a townhome-style building with eight Dwelling Units, is located on Lot 504.

4.2 Non-Residential Lots. As provided in the Plat Map, the following Lots are reserved for particular non-residential purposes as stated below:

4.2.1 Lots 506, 507 and 600 are restricted in their use to a golf course and related recreational maintenance activities. Nothing in this restriction shall give any Owner the right to use such Lots, except in accordance with the rules for use, including fees, charges, or membership requirements as established by the owners of Lot 600 or their authorized representatives, as now exists or as they may be changed in the future. The Owner(s) of Lots 506, 507

4.2.2 No residential development shall be placed upon Lot 503, unless and until such time as the Aero Plaza Airport, lying directly to the West of Lot 503, ceases operation.

4.3 Structures on Residential Lots. Each Residential Lot contains a Single-Family building or Multi-Family building, restricted to residential use. All other structures hereafter erected upon Lots shall be of new construction. No structures of a temporary character shall be used on any portion of the Property at any time without limitation.

4.4 Allocating Common Expenses & Votes. Common Expenses and votes applicable to Residential Lots shall be as follows:

4.4.1 Common Expenses: Each Single-Family Lot and each Dwelling Unit on a Multi-Family or other Lot shall be allocated an equal share of the Common Expenses. If a Single-Family Lot has been subdivided each resultant parcel shall be deemed a Single-Family Lot for assessment purposes and assessed an equal share of the Common Expenses. If any Residential Lots are combined pursuant to Section 4.16, the resultant Lot or Lots shall remain obligated for the shares of the Common Expenses of the Lots that were combined on a pro-rata basis based on resultant Lot size.

4.4.2 Votes: Each Residential Lot shall have one equal vote in the Association; however, if a Multi-Family or other Lot contains Dwelling Units subject to individual sale, such as a condominium or townhome building, then each such Dwelling Unit shall have a vote once it is sold to a new Owner.

4.4.3 Lots 506, 507 and 600 are reserved for use as a golf course, and the Owner(s) of such Lots shall not be members of the Association, shall not be obligated to pay Common Expenses, and shall not have a vote. This provision shall also apply to Lots 503, 504 and 505 so long as they are used by the owner of the golf course for golf course purposes.

4.5 Business Conducted from Home. No Owner or Resident may conduct any trade or business of any kind in or from any Residential Lot, including any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether (a) the activity is engaged in full or part-time, (b) the activity is intended to or does generate a profit, or (c) a license is required to engage in the activity or is a non-profit or not-for-profit, except that a Resident or Owner may conduct such business activities only if:

4.5.1 The existence or operation of the business activity within the Lot is not apparent or detectable by sight, sound or smell from anywhere on the Property outside of the Lot;

4.5.2 The business activity conforms to all zoning and other governmental requirements for the Lot and/or the activity;

4.5.3 The business activity does not involve customers, vendors or other persons (other than delivery services, such as Federal Express) who are not Owners or Residents coming onto the Property in any number or manner which shall be determined by the Board to create or constitute a burden on the Property or the other Owners;

4.5.4 The business activity does not increase the liability or casualty insurance obligation or premium of the Association; and

4.5.5 The business activity is consistent with the residential character of the Association and does not constitute a nuisance, annoyance or hazardous or offensive use, as determined in the sole discretion of the Board.

Notwithstanding the above, an Owner may hold a garage sale with the prior, written permission of the Board, for a period of no more than three (3) consecutive days, twice each calendar year pursuant to a license or permit issued by the appropriate governmental agency, if applicable. The Board may also allow children's lemonade stands, and the like.

4.6 Timesharing. Timesharing of Lots or any Dwelling Unit upon a Lot, as defined in RCW Chapter 64.36, is prohibited.

4.7 Leases. Owners may Lease their Residential Lots or Dwelling Units only as provided in this Section. All leases shall be in writing. No lease or rental may be for less than an entire Lot for Single-Family Lots or the entire Dwelling Unit for Multi-Family Lots. Leases or rental agreements shall be in writing and provide that the lease's terms are subject in all respects to the provisions of the Governing Documents, and that any failure by the Tenant to comply with the terms of the Governing Documents shall be a default under the lease or rental agreement. Owners are responsible for their Tenant's compliance. If any Owner Rents or Leases their Lot or Dwelling Unit, such Owner shall notify the Board as to the identity of the Tenant, the Tenant's contact information, and shall provide a copy of the lease or rental agreement to the Board or its Manager. If there is any change in any such information, the Owner shall update such information with the Board or Managing Agent. The Board shall be empowered to adopt Rules, including such procedures and forms as may be necessary to ensure the restrictions contained herein are administered fairly and effectively. If the Board determines that any portion of a Leased Lot or Dwelling Unit is not being maintained in a neat and attractive manner pursuant to the Governing Documents, then, in addition to other enforcement remedies under the Governing Documents, and

after notice and opportunity to be heard and failure to comply, the Board may contract for such services and materials as may be necessary to bring the Lot or Dwelling Unit to a neat and attractive standard as required under the Governing Documents, and assess such costs to the Owner, which amounts shall be deemed Assessments and collectable as such.

4.8 No Impairment of Insurance. Nothing shall be done or kept in any Residential Lot or the Common Areas or by any Owner that will increase the Association's insurance premiums, without the prior, written permission of the Board. No Owner shall permit anything to be done or kept in his Lot or Dwelling Unit or elsewhere in Capitol City Golf Club Estates that will result in the cancellation of the Association's or the Owner's insurance on any part of Capitol City Golf Club Estates.

4.9 Conveyance of Residential Lots, Dwelling Units; Notice Required. The right of an Owner to sell or convey a Residential Lot or Dwelling Unit shall not be subject to any right of approval, disapproval, first refusal, or similar restriction by the Association or the Board, or anyone acting on their behalf. An Owner intending to convey a Lot or Dwelling Unit shall deliver a written notice to the Board or Managing Agent, at least two (2) weeks before closing, specifying: (a) the Lot or Dwelling Unit being sold; (b) the name and address of the purchaser, of the closing agent, and of the title insurance company insuring the purchaser's interest; and (c) the estimated closing date. The Board shall have the right to notify the purchaser, the closing agent, and the title insurance company of the amount of any unpaid assessments and charges outstanding against the Lot or Dwelling Unit, whether or not such information is requested.

4.10 Structures on Residential Lots. Each Residential Lot may only include a single-family building or multi-family building, restricted to residential use. Except for single- and multi-family buildings on Multi-Family Lots, no structure shall be constructed, erected, placed, altered or permitted to remain on any such Lot other than one (1) single-family residence, with a private attached garage for not more than three (3) vehicles, and one (1) unattached Accessory Building. All Dwelling Units shall be used only for single-family residential purposes.

4.11 Single-Family Lot Requirements. Each single-family residence to be constructed on a Single-Family Lot shall, unless otherwise approved by the Board, (a) provide a minimum living area, exclusive of garage, porches, patios, and terraces, that meets the requirements of Section 8.5, (b) provide a garage for not more than three (3) vehicles; (c) not violate local zoning setback requirements, which setback areas shall be based upon the location of the boundaries of the Lot; and (d) meet other such ARC standards as provided in this Declaration, as may be supplemented by Rule.

4.12 Multi-Family Lot Requirements. Multi-Family Lots may include single-family buildings or multi-family buildings, restricted to residential use. Design criteria are set forth in Section 4.1.3, and in addition, all single-family buildings constructed on Multi-Family Lots are subject to the design criteria of this Declaration and ACC standards for single-family residences.

4.13 Storage. Other than related to staging for construction activity, using any vacant Lot to store any goods, wares, equipment or rubbish is prohibited.

4.14 Sewer/Septic Prohibited. No individual sewer or septic system is permitted on a

Residential Lot unless such system has been constructed with the approval of and in accordance with the requirements and standards of the Thurston County Department of Health or other such agency with jurisdiction over such systems. If any such systems exist on a Lot, the Lot's Owner shall be required to observe all applicable health, safety, testing, repair, upkeep and decommissioning regulations.

4.15 Alteration of Dwelling Units. Any improvement or alteration to a Dwelling Unit, other than those that do not adversely affect the structural integrity or mechanical or electrical systems of the Dwelling Units, affect the appearance of the exterior of the Dwelling Units, or violate the permitted uses contained herein, shall require the prior, written permission of the Architectural Control Committee as provided in ARTICLE 8.

4.16 Subdividing. Single-Family Lots may not be subdivided for any purpose other than to increase the size of adjoining Lots. Any such modifications must be set forth in a recorded Boundary Line Adjustment, which references the Amended and Restated Declaration and Plat Map. After subdivision, each Owner of a resultant Lot shall be responsible for one full Lot's share of the Common Expense, plus the pro-rata portion of the Common Expense share of the involved Lot that is divided between the Lots. For example, if three Lots are subdivided to become two equally sized larger Lots, each resultant Lot would pay one and one-half (1.5) times the per-Lot Common Expense share. If, prior to recording of this Declaration, a Single-Family Lot was subdivided to create two or more Single-Family Lots, then each resultant Single-Family Lot shall be allocated one full Lot's share of the Common Expense.

## ARTICLE 5. COMMON AREAS

5.1 Description. The Common Areas are all portions of the Property other than Lots, including, but not limited to, walkways and trails, private roadways, recreational spaces, parks and sidewalks, and including all easements for the benefit of the Association. The golf course and other amenities on Non-Residential Lots are not part of the Common Areas.

5.2 Use of Common Areas. Subject to the restrictions in this Declaration, the Bylaws, and any Rules consistent therewith, each Owner and Resident shall have the right to use the Common Areas in common with all other Owners and shall have a right of access over the Common Areas for ingress and egress from the Owner's Lot. No Owner shall interfere with the Association's maintenance, repair or operation of the Common Areas, nor shall any Lot Owner store items in, damage, alter, construct in, mount on, or remove fixtures or common property from, the Common Areas, except with the prior, written approval of the Board.



**ARTICLE 6. MAINTENANCE & REPAIR RESPONSIBILITIES**

6.1 Association Responsibilities. Except as otherwise provided in this Declaration, the Association shall, as a Common Expense, manage, maintain, repair and replace as necessary, all Common Areas, including any improvements thereon.

6.2 Owner Responsibilities. Each Owner shall, at his or her sole expense, maintain, repair and replace all components of the Residential Lots and the Dwelling Units thereon as reasonably necessary to keep their Residential Lots and Dwelling Units in a condition that is neat and attractive, and consistent with the aesthetics and style of the community.

6.3 Common Walls. To the extent a Common Wall or Common Walls are shared by different Owners, such Owners are jointly responsible for the management, maintenance, repair, and replacement of Common Walls and the expense relating thereto, and shall coordinate such repairs between themselves in any reasonable manner, except that if an Owner, Resident, guest, invitee, or agent thereof, are responsible for damage to a Common Wall, that Owner shall have the obligation of repairing or replacing the damaged portion of the Common Wall at his or her expense. Any Owner proposing to modify, make additions to, or rebuild his Dwelling Unit in any manner that affects any Common Wall in any way, shall first obtain the written consent of the adjoining Owner, which shall not be unreasonably denied. In the event of a dispute as to the obligation or necessity for, or the extent or cost of, such maintenance, repair, or replacement, Owners sharing a Common Wall may submit the dispute to the Board, who shall make a determination with respect to such obligations.

6.4 Failure to Perform. In the event a Residential Lot or Dwelling Unit is abandoned, as determined after reasonable inquiry by the Board, and if the Owner shall fail to maintain, repair or replace components of such Residential Lot or Dwelling Unit as required by the Governing Documents, and fails or refuses to perform said maintenance, repair or replacement after the Board has provided the Owner with Notice and an Opportunity to be Heard, then, in addition to other remedies available under the Act or this Declaration, including but not limited to assessment of fines, the Board may, at its discretion, perform such maintenance, repair or replacement and shall levy an Assessment for the costs thereof against the Lot and Owner, which Assessment shall be an Individually Allocated Assessment and collected as any other Assessment if not timely paid.

**ARTICLE 7. RULES; PERMITTED USES**

7.1 Rules. The Board may, from time to time, adopt and amend reasonable Rules as may be necessary or advisable to ensure compliance with, clarify, and supplement the Governing Documents, to aid in the administration, governance or enjoyment of Capitol City Golf Club Estates, to preserve the exterior appearance of Residential Lots, Dwelling Units and Common Areas, or for any other purpose not inconsistent with this Declaration, the Articles of Incorporation, the Bylaws or any amendments thereto.

7.2 Noxious & Offensive Use. No unlawful, noxious or offensive activities may be

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

carried on in any portion of Capitol City Golf Club Estates, nor shall anything be done therein which shall constitute a nuisance or which shall, in the judgment of the Board, cause unreasonable noise or disturbance to others. Owners shall not permit any condition to exist that will induce, breed, or harbor infectious diseases, insects, or vermin. No use of any recreational vehicle, trailer, tent, accessory building or any other temporary structure as a permanent or temporary residence is permitted in the Estates.

7.3 Effect on Insurance. Nothing shall be done or kept in any Lot or in any Common Area that will significantly increase premiums for, or make it impossible for the Association to obtain or maintain insurance required or reasonably desired by the Board without the prior, written approval of the Board.

7.4 Animals. Customary household pets, such as dogs, cats, and birds, may be kept on a Residential Lot provided they are not raised, kept, or bred for any commercial purpose, and provided further they are not kept in such numbers or in such a manner so as to create a nuisance. No chickens or poultry are allowed. If on a Lot but not within a fenced yard, pets (excepting cats) must be under the control of the pet's owner. Dogs must be leashed or under the immediate control of its owner at all times while on Common Areas, excepting only those portions of the Common Areas specifically designated by the Board as off-leash areas, if any. Pet owners must immediately scoop and remove any pet waste/droppings from Common Areas, and pet waste/droppings on Lots must be removed at regular intervals. Notwithstanding the above, the Board shall always retain the right to require removal of a pet that it reasonably considers a danger or nuisance to other Residents or their pets, subject to notice and opportunity to be heard. Pet restrictions are subject to federal laws regarding disability, and requests for accommodations relating to service or support animals shall be interpreted with reference thereto.

7.5 Signs. Except as provided in this Section, no signs or billboards may be placed upon any Residential Lot or attached to any Dwelling Unit:

7.5.1 An Owner may install one temporary real estate sign advertising the property for sale or for rent not exceeding twenty-four (24) inches in height and thirty-six (36) inches in length may be erected by the Owner or by a licensed real estate agent when a Lot is placed upon the market for sale or rental; provided that any such temporary real estate sign shall be removed within seven (7) days of the sale or rental of such Lot.

7.5.2 An Owner or Resident may place one (1) political sign per candidate or ballot issue on their Lot not earlier than forty-five (45) days before or more than seven (7) days after any general or special election.

7.5.3 An Owner may install security signs, no larger than ten inches by ten inches (10" x 10").

7.5.4 All such signs shall be maintained by the Owner in a neat, clean and orderly condition and state of repair.

7.6 Antennae & Satellite Dishes. No Owner may erect, install or maintain a media-receiving or transmitting antenna, satellite dish or similar device upon any Lot except with the prior, written approval of the Board. In approving such installation, the Board shall require placement

that will minimize visibility from the Streets and other Residential Lots, if reasonably possible, while complying with applicable regulations and decisions of the Federal Communications Commission (“FCC”) regarding Over-the-Air Reception Devices (“OTARD”), 47 C.F.R. § 1.4000, including that the Association shall not (a) unreasonably delay or prevent the installation of a Qualified Reception Device (as that term is defined in the OTARD guidelines), (b) unreasonably increase the cost of installation, maintenance or use thereof, or (c) preclude the reception of an acceptable quality signal thereby; further, such restrictions (d) shall be applied to the extent practicable in a nondiscriminatory manner to devices, appurtenances or fixtures other than antennas that are comparable in size and weight and pose a similar or greater safety risk and (e) shall be no more burdensome to affected antenna users than is necessary to achieve the objectives of this Section.

7.7 Use of Streets; Parking; Inoperative Vehicles; Recreational Vehicles. Unless allowed by Rule, no motor vehicles other than licensed motor vehicles, golf carts and golf course maintenance equipment may be operated on the Streets within the Estates. Persons operating such vehicles shall observe the posted speed limits, which shall be determined by the Board.

7.7.1 Except for Street parking for guests under Section 7.7.2, and Street parking for Owners during construction under Section 7.7.3, no vehicle shall be kept or parked on the Streets or within the Common Areas except as may be specifically allowed by the Board, and subject to any parking Rules the Board may adopt from time to time. Vehicle owners shall observe all posted signage. Vehicles improperly parked or kept on the Street or other Common Area may be subject to immediate towing at the vehicle Owner’s cost and expense and/or may be subject to fines.

7.7.2 Guest vehicles and service vehicles may be parked on the Street for a period not to exceed twenty-four (24) consecutive hours.

7.7.3 Owners may park on the Street if the Owner’s Residential Lot, residence, driveway or adjacent parking area is under repair and for that reason the driveway and adjacent parking area are not available for parking, but such Street parking shall not exceed a period of two (2) consecutive days without approval of the Board.

7.7.4 No vehicle shall be parked or kept such that it interferes with the normal flow of traffic, emergency vehicle access, or ingress or egress to any Lot or Common Area.

7.7.5 No motor vehicle, truck, camper, trailer, boat, motorcycle, recreational vehicle (“RV”), motor home, four-wheeler or other ATV, shall be parked on any Lot except in a driveway or an area of a Lot adjacent to a Street that is paved with concrete, asphalt, or crushed rock (also known as a parking “Cut Out”) as specified and approved by the Architectural Committee.

7.7.6 With the exception of guest or service vehicles, no more than two (2) vehicles may be kept or parked in any driveway, and no more than one (1) vehicle may be kept or parked in the area adjacent to the driveway (also known as an “Adjacent Parking Area”);

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

7.7.7 For purpose of this section, “unsightly or inoperative vehicle” shall mean any vehicle which is inoperative, is not currently registered (evidenced by license plate tabs) is extensively damaged or in a state of severe disrepair (severe rust, major collision damage, major missing parts such as body panels, or shattered window glass), or has not been used for forty-five (45) days or more. No Person shall park or keep an unsightly or inoperative vehicle within the Estates unless such vehicle is parked or stored in a garage, or if not in a garage, in such Owner’s driveway and fully covered at all times by a durable non-transparent vehicle cover designed for such purpose.

7.7.8 Owners are required to trim back any hedge, bush, tree or other planting which projects into any Street or could impede the free flow of traffic.

7.8 Garbage & Rubbish. Owners shall screen from view all equipment, garbage cans, woodpiles or storage piles, by adequate planting or fencing so as to conceal them from view of neighboring Residential Lots, Dwelling Units, Common Areas and streets. All rubbish, trash or garbage shall be regularly removed from a Lot, and shall not be allowed to accumulate thereon. The following shall be prohibited:

7.8.1 Placing, keeping, or storing any rubbish (including but not limited to all types of garbage and household waste including but not limited to broken and/or discarded furniture, household wares, equipment, appliances, furnishings or personal belongings; yard waste, including but not limited to lawn, tree and shrub clippings and garden cuttings; discarded food, cans, bottles, packaging and similar trash and waste) on any Lot where visible from the Street, golf course, or adjoining Lots, except if stored in attractive covered containers designed and sold for that purpose. The Board may require a certain type, style or standard of condition of such receptacles.

7.8.2 Placing keeping, or storing any firewood on any Lot which is not stacked neatly at the side of or in the back of the residence, or in another suitable location approved by the Board.

7.9 Exterior Appearance. Owners shall not display, hang, store or use any clothing, sheets, blankets, laundry or other articles which may be visible in or from the Common Areas or other Lots, nor shall any Owner paint, decorate or adorn the exterior of any building, or install any canopy or awning, or other equipment, fixtures or items of any kind, or alter in any way, except with the prior, written approval of the Board.

## ARTICLE 8. ARCHITECTURAL CONTROL

8.1 ACC Established. The Original Declaration established an Architectural Control Committee (“ACC”) with members appointed by the Board, to review Owner applications for construction of improvements upon Residential Lots that affect the exterior appearance of Dwelling Units and other areas of Residential Lots that are visible from the Common Areas or other Residential Lots, and make recommendations to the Board. The ACC shall include at least two (2) members of the Board. If an ACC has not been established, the Board shall perform the functions of the ACC.

8.2 ACC Approval Required. Owners of Residential Lots must obtain the prior, written approval of the ACC for any project that changes the exterior appearance of a structure on a Lot, such as the construction, modification, alteration, installation or remodel of Dwelling Units, Accessory Buildings, or other structures on Lots (including, but not limited to, garages, decks or patios, balconies, concrete or masonry walls, rockeries, driveways, fences, hedges, sheds, greenhouses, arbors, gazebos, and hot tubs or spas); or any significant landscaping. Pre-Approval from the ACC is also required for installation of solar collectors and antennas. No work may commence on any such projects until the Owner has received written approval from the ACC to proceed with construction. If any project to which this Article applies is constructed without such pre-approval, in addition to any other remedies provided for in the Governing Documents, the Owner may be required to remove the structure at the Owner's cost or modify the structure to comply with this Article at the Owner's cost.

8.3 Application Procedures. Requests for ACC approval shall be made in writing, in the form required by the Association, if any, and signed by an Owner or Owner's designee. The Owner shall provide the ACC with a description of the project, identification of the licensed and bonded contractor, and complete plans and specifications for the project, at least forty-five (45) days in advance of any planned work. The Owner must affirmatively state that the plans and specifications comply with the provisions of this Declaration and all applicable laws and codes. The ACC may require the submission of any other relevant materials including additional plans, drawings, photographs, surveys, proof of governmental agency compliance, or other reasonable materials as a condition to approval. Owners requesting ACC approval have an ongoing duty to amend or supplement their ACC application if any material changes have occurred prior to or after obtaining ACC approval.

8.4 ACC Review. The ACC will review submittals for compliance with the Governing Documents, quality of proposed workmanship and materials, location, conformity and harmony with existing Lots, aesthetics, potential effect on neighboring Lots and the Common Areas, and in accordance with any Design Guidelines & Construction Conditions adopted by the Board. The ACC will notify the Owner within forty-five (45) days of the receipt of a complete application whether the project is approved, disapproved or approved with conditions. Failure of the ACC to request additional information or approve an application within this timeline shall be deemed approval thereof, except that such approval shall not constitute waiver of any conditions of the project that may violate any provision of the Governing Documents.

8.5 Design Standards. The Board may, from time to time, adopt and promulgate design and construction standards to be administered by the ACC as part of the Association's Rules, and procedures and forms that Owners requesting ACC approval must complete and return for project consideration. The standards set forth in this Declaration may be supplemented by the Board; provided, however, no such modification shall take effect retroactively.

8.5.1 Building, Quality, Size, and Color. All Dwelling Units on Single-Family Lots and Accessory Buildings shall be built to conform to all applicable building codes, and shall be constructed in a sound, skillful, workmanlike manner. The floor area of any Single-family residence, exclusive of open porches and garages, shall be no less than 1,200 square feet. The maximum height of the roof of any single-family residence shall be not more than

twenty-four (24) feet above the highest point of the street grade adjoining the Lot. Colors of the residence and any Accessory Building must match.

8.5.2 *Colors.* No residence or Accessory Building, fence, or other improvement or structure on any Lot shall be painted or stained until the colors of the desired paint or stain are approved by the ACC. Colors of a Lot's residence and Accessory Building must match. For residences and Accessory Buildings, no paint colors or stains other than shades of white, gray, earth tones, or pastels will be approved. For fences, no paint or stain colors other than those which are complimentary to the color of the main Dwelling Unit will be approved. All sides of the structure must be painted or stained uniformly in the same color; provided, trim may be of a different contrasting color approved by the ACC.

8.5.3 *Driveways.* All garages located upon a Lot shall be connected to the adjacent street by an asphalt or concrete paved driveway.

8.5.4 *Building Location.* No residence or Accessory Building shall be located on any Lot nearer than twenty-five (25) feet to the front property line, or nearer than ten (10) feet from the rear property line if such line abuts upon another Lot. No residence shall be located nearer than twenty (20) feet to the areas designated on said plat as golf course, and no Accessory Building shall be located nearer to the rear lot line than five (5) feet from the golf course or Lot line. No roofline, steps or open porches shall be located nearer than five (5) feet to an interior Lot line. In no case shall any portion of a building on a Lot be permitted to encroach upon another Lot save and except in those cases where a building site is a combined Lot or Lots, in which case, all setbacks shall be measured from the outer perimeter of the combined Lot.

8.5.5 *Fences and Walls.* No fence, wall, or shrub screen except net or mesh fences designed to protect against injury from errant golf balls, shall exceed six (6) feet in height. No fence or wall shall be erected or placed on any Lot nearer than twenty-five (25) feet to any Street fronting. Provided, however, decorative picket or rail fences, or shrubs, not exceeding three and one-half (3 ½) feet in height may be placed or erected on any Lot without regard to restriction as to location, except such decorative fence shall not be located anywhere along the front property line.

8.5.6 *Completion of Structures.* All construction of any residence, Accessory Building or other improvement on a Lot, once commenced, shall be completed in not longer than one (1) year. All landscaping shall be completed within eighteen (18) months after construction is commenced.

8.6 ACC Approval No Waiver. Construction of particular structures may require approval from federal, state or local regulatory agencies. It is the Owner's responsibility to determine if such approval is needed. Approval by a regulatory body other than the ACC does not relieve the Owner of the obligation to obtain pre-approval of the ACC as provided for herein. Nor does approval by the ACC relieve the Owner of the obligation to obtain pre-approval of any regulatory body as may be required.

8.7 Correction of Violations. In addition to any other remedy available to the Association under the Act or this Declaration, any improvement constructed by an Owner without

approval of the ACC, or that does not comply with the approved proposal, may be corrected or removed by the Board, with all costs, including labor, to be imposed upon that Owner as an assessment. Except in cases of emergency, the Board shall advise the Owner by written notice of not less than thirty (30) calendar days of its intent to correct or remove an unacceptable addition or alteration, stipulating a time period during which the Owner may bring the addition or alteration into compliance.

## ARTICLE 9. OWNERS' ASSOCIATION

9.1 Name and Form of Association. The Owners of Lots in Capitol City Golf Club Estates shall be members of the homeowners' association known as Capitol City Golf Club Estates Association, or such other official name as set out in the Articles of Incorporation, and shall be subject to the Act in all respects. The Association shall be organized as a nonprofit corporation, subject to the Nonprofit Corporations Act at RCW Chapter 24.03.

9.2 Bylaws. Except as provided in this Article, the Bylaws for the administration of the Association and for other purposes not inconsistent with the Act or this Declaration shall contain the number, qualifications, powers, duties, terms of office, and manner of electing and removing Trustees and Officers and filling Trustee and Officer vacancies. The Board, by resolution, shall be empowered to adopt the Amended and Restated Bylaws that were provided to Owners contemporaneously with this Amended and Restated Declaration. Further amendments to the Amended and Restated Bylaws shall require the vote or approval of the Owners to which a majority of the Total Voting Power is allocated. The Bylaws shall be interpreted to be consistent with this Declaration if at all possible. In case of conflict, the provisions of this Declaration shall control.

9.3 Membership in Association. Each Owner of a Residential Lot is a member of the Association and shall be entitled to one membership for each Residential Lot owned, which membership shall be considered appurtenant to that member's Residential Lot. Ownership of a Residential Lot shall be the sole qualification for membership in the Association. A membership shall not be transferred in any way except upon the transfer of title to the Residential Lot and then only to the transferee of title to the Residential Lot, provided that if a Residential Lot has been sold on contract, the contract purchaser shall exercise the rights of the Owner for purposes of the Association, this Declaration, and the Bylaws, except as hereinafter limited, and shall be the voting representative unless otherwise specified. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Residential Lot shall operate automatically to transfer the membership in the Association to the new Owner. Membership in the Association shall not extend to or include any persons or entities who hold an interest in any Residential Lot merely as security for the performance of an obligation, including but not limited to mortgagees and holders of deeds of trust, and shall not extend to the Owners of the Non-Residential Lots described in Section 4.2.

9.4 Management by Board. Except where a vote or approval of the Owners is required under the Act or this Declaration, the Board shall have exclusive power to act on behalf of the Association in all instances. The Board shall be composed of five (5) to nine (9) Trustees, all of whom must be Owners, as established in the Bylaws. The Board may delegate certain powers and

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

duties to one or more committees, who may exercise the authority of the Board if at least two Trustees serve on the committee. The Board may also delegate administrative functions to its Managing Agent. In the performance of their duties, the Officers and Trustees shall exercise ordinary and reasonable care.

9.5 Powers of the Association. The Association, acting through the Board, shall have all powers and authority permitted the Association under the Act and this Declaration, as may be limited or qualified herein, including the right and authority to:

9.5.1 Adopt and amend the Declaration, Bylaws and Rules;

9.5.2 Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect Assessments based on those budgets as further described in ARTICLE 11;

9.5.3 Obtain or prepare a reserve study and establish and administer a reserve account as further described in Section 9.6 and RCW 64.38.065;

9.5.4 Hire and discharge or contract with Managing Agents and other employees, agents, and independent contractors, including legal counsel;

9.5.5 Institute, defend, or intervene in litigation, arbitration or administrative proceedings in its own name on behalf of itself or two (2) or more Lot Owners on matters affecting Capitol City Golf Club Estates;

9.5.6 Make and assume contracts and incur liabilities, including contracts with parties to provide recreational amenities for the Owners;

9.5.7 Regulate the use, maintenance, repair, replacement, and modification of Common Areas and Lots;

9.5.8 Provide for or pay, as part of the Common Expenses, utility services to the Common Areas;

9.5.9 Cause additional improvements to be made as a part of the Common Areas;

9.5.10 Acquire, hold, encumber, convey, dispose of, in the Association's name, any right, title, or interest to tangible or intangible personal property, and convey or subject the Common Areas to a security interest.

9.5.11 Grant easements, leases, licenses, and concessions through or over the Common Areas and petition for or consent to the vacation of streets and alleys;

9.5.12 Impose and collect any payments, fees, or charges for the use, rental, or operation of the Common Areas;

9.5.13 Impose and collect any payments, fees or charges for services provided to Owners;

9.5.14 Impose and collect charges for late payment of Assessments as further provided in Section 11.19;



[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

9.5.15 After notice and an opportunity to be heard by the Board or by such representative designated by the Board and in accordance with such procedures as provided in the Governing Documents, levy reasonable fines in accordance with a previously established schedule thereof adopted by the Board and furnished to the Owners for violations of the Governing Documents as further provided in ARTICLE 12;

9.5.16 Provide for the indemnification of its Officers and Board, and any committee members exercising the powers of the Board as further provided in Section 13.3, and maintain Trustees' and Officers' liability insurance as further provided in Section 14.2;

9.5.17 Borrow funds from banks, other financial institutions, lenders, vendors, and/or contractors to pay for maintenance, repair, replacement, reconstruction, alteration, addition, or improvement to Capitol City Golf Club Estates (including Capital Improvements), or for any other purposes that the Board determines is in the best interests of the Association;

9.5.18 Assign or pledge common funds of the Association, including its right to future income, and the right to receive Assessments;

9.5.19 Enter into Lots and Dwelling Units, but only in accordance with the provisions of Section 9.7.

9.5.20 Pay any amount necessary to discharge any lien or encumbrance levied against Capitol City Golf Club Estates or any part thereof which is claimed to or may, in the opinion of the Board, constitute a lien against any part of Capitol City Golf Club Estates, rather than merely against the interest therein of particular Owners;

9.5.21 Exercise any other powers conferred by this Declaration or the Bylaws;

9.5.22 Exercise all other powers that may be exercised in this state by the same type of corporation as the Association; and

9.5.23 Exercise any other powers necessary and proper for the governance and operation of the Association.

9.6 Reserve Study. Unless the Board determines, in its reasonable discretion, that doing so would impose an unreasonable hardship upon the Association, the Association shall obtain, prepare, and periodically update a reserve study in accordance with the Act.

9.7 Entry into Lots & Dwelling Units. The Association and its agents or employees may enter any Lot without advance notice to Owners when necessary to do so: (a) in connection with the performance of its duties, including, but not limited to, any inspection, maintenance, repair, landscaping, or construction for which the Association is responsible including correction of violations under Section 8.7; (b) to prevent imminent damage to the Common Areas or to another Lot; or (c) in the event of emergencies; provided that entry into Dwelling Units shall also be subject to the following:

9.7.1 Except in the case of an emergency, entry into any Dwelling Unit shall require reasonable advance notice to be given to the Lot Owner, including the purpose, date

and time of the entry, and, if Tenant information has been given to the Association by the Owner, to the Tenants. Such entry shall be made with as little inconvenience to the Residents as practicable.

9.7.2 Any damage caused as a result of entry into a Dwelling Unit shall be repaired and paid for by the Association as a Common Expense, unless entry for an emergency was caused by an act or omission of the Owner or Resident of the Lot entered, in which case the cost shall be assessed to the Lot Owner as an Individually Allocated Assessment as provided in Section 11.4.

## **ARTICLE 10. MEETINGS, QUORUM & VOTING**

10.1 Board Meetings and Quorum. At any meeting of the Board, a quorum shall exist if at least fifty percent (50%) of the serving members of the Board are present in person at the beginning of the meeting. Trustees are deemed present in person at a Board meeting if they participate by means of a conference telephone or similar communications equipment, provided all persons participating in the meeting can hear each other at the same time. Any action or decision by the Board shall require the affirmative vote of a majority of the members of the Board who are present at a meeting in person. Proxies are not effective for Board Meetings. Except as provided in this Section, all Board meetings shall be open for observation by all members of record and their authorized agents. The Board shall keep minutes of all actions taken by the Board in open meeting, which shall be available to all Owners. Upon the motion of any Trustee, the Board may convene in closed executive session to consider personnel matters; consult with legal counsel or consider communications with legal counsel; discuss likely or pending litigation, matters involving possible violations of the Governing Documents of the Association, or matters involving the possible liability of an Owner to the Association, and similar privileged or sensitive issues. The motion shall state the specific purpose for the executive session, which shall be reflected in the minutes. The Board shall restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted and stated in the motion. No motion, or other action adopted, passed, or agreed to in closed session may become effective unless the Board, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion or other action which is reasonably identified. The requirements of this subsection shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure.

10.2 Association Meetings and Quorum. A meeting of the Association must be held at least once per year. Special meetings may be called by the president, a majority of the Board, or by Lot Owners to which twenty percent (20%) of the Total Voting Power is allocated. Notice of Association meetings shall be prepared and provided by the Secretary or other Officer of the Association, shall state the time and place of the meeting and the items on the agenda to be voted on by the members, including the general nature of any proposed amendment to the Declaration and any proposal to remove a Trustee. Notices shall be delivered as provided in Section 16.1. A quorum is established if Owners to which ten percent (10%) of the Total Voting Power is allocated are present in person or by proxy at the beginning of any meeting of the Association. If a quorum cannot

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

be reached at a meeting, the Board may adjourn the meeting from time to time until a quorum is reached. Further meeting procedures are provided in the Bylaws.

10.3 Total Voting Power. The Total Voting Power in the Association shall be the total number of votes calculated pursuant to Section 4.4.2, minus the number of Residential Lots owned by the Association, if any.

10.4 Residential Lot Voting Power. Each Owner shall have one vote for each Residential Lot owned, or for each independently owned Dwelling Unit if such Dwelling Units are condominium units or the like. If an Owner owns multiple Residential Lots (or independently owned Dwelling Units), the Owner may cast votes for each of such properties owned. For Residential Lots (or independently owned Dwelling Units) with multiple Owners or entity ownership, the Association shall accept the vote or approval of any Owner or Officer of the entity as the vote or approval of that Residential Lot (or independently owned Dwelling Unit), provided that only a single vote or approval is received for such Residential Lot (or independently owned Dwelling Unit). If a subsequent, inconsistent vote or approval is received from a co-Owner or other Officer of the Owner of that Residential Lot (or independently owned Dwelling Unit), the vote for such property shall not be counted except for quorum purposes.

10.5 Method of Voting. The means by which votes in the Association shall be cast and recognized shall be as set forth in the Bylaws. Any vote required to be taken at a meeting of the Association members may be taken without a meeting upon written consent as provided in the Bylaws.

## ARTICLE 11. BUDGETS, ASSESSMENTS, RESERVES

11.1 Common Expenses. Common Expenses shall mean all expenditures made by or financial liabilities of the Association, including any allocations to reserves. Common Expenses shall include, but may not be limited to, the costs of operation and governance of the Association, costs of maintenance, repair and replacement of the Common Areas, general operating expenses of the Association, including management and professional fees and costs, costs of insurance, general reserves for contingencies, payment of Individually Allocated Assessments prior to reimbursement by Owners, insurance deductibles; contribution to a reserve fund as described in Section 11.10.1, any expenses relating to any obligation under the Act or the Governing Documents, and any other expenditures the Board determines are in the best interests of the Association.

11.2 Preparation of Budgets. Prior to the end of the fiscal year, the Board shall prepare and adopt an annual budget for the Association for the coming year, upon which regular Assessments will be based. In preparing its budget, the Board shall estimate the Common Expenses of the Association to be paid during the year and shall take into account any expected income to the Association as well as any surplus or deficit carried over from the preceding year. Supplemental budgets may be prepared and adopted at any time in accordance with this ARTICLE 11. Budgets shall include the following:

11.2.1 The projected income to the Association by category;

*CAPITOL CITY GOLF CLUB ESTATES ASSOCIATION  
AMENDED & RESTATED DECLARATION – 20*

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

11.2.2 The projected Common Expenses, including any Common Expense that will be charged to Owners as Individually Allocated Expenses to the extent such costs are subject to being budgeted, by category;

11.2.3 The amount of the resulting regular or special Assessment per Lot or Dwelling Unit and the date the Assessments or any installment thereof, are due;

11.2.4 The current amount of regular Assessments budgeted for contribution to the reserve account;

11.2.5 A statement of whether the Association has a reserve study that meets the requirements of the Act and, if so, the extent to which the budget meets or deviates from the recommendations of that reserve study; and

11.2.6 The current deficiency or surplus in reserve funding expressed on a per-Unit basis.

11.3 Budget Ratification. Within thirty (30) days after the Board's adoption of any proposed budget for the Association, the Board shall provide notice of a meeting to consider ratification of the budget along with the budget. The meeting shall be not less than fourteen (14) nor more than fifty (50) days after mailing of the budget. Unless at that meeting, the Owners to which a majority of the total voting power is allocated reject the budget, the budget and the resulting assessments against the Residential Lots and Dwelling Units are ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice not given, the periodic budget last ratified by the members, and the Assessments based upon that budget, shall continue until such time as the Owners ratify a subsequent budget proposed by the Board.

11.4 Calculation of Assessments. Each Residential Lot and independently owned Dwelling Unit and its Owner shall be assessed an equal share of any budget of the Association. Subdivided Lots may be required to pay more than one share, as set forth in ARTICLE 4.

11.5 Individually Allocated Assessments. The following expenses shall, to the extent reasonably ascertainable, be assessed exclusively to the Residential Lot or Dwelling Unit benefitted as an "Individually Allocated Assessment":

11.5.1 Any Common Expense used or required to maintain, repair, or replace components of a Residential Lot or Dwelling Unit that the Owner has the primary responsibility to maintain, repair or replace under Section 6.2; and

11.5.2 If the Association provides utility or other services to Residential Lots or Dwelling Unit Owners, the actual or estimated costs shall be assessed to the Residential Lots or Dwelling Unit Owners to which the service is provided in accordance with usage, unless such usage is not reasonably ascertainable, in which case, the costs shall be assessed equally to all Lots receiving the service;

11.5.3 Any expense chargeable directly to Residential Lot or Dwelling Unit Owners as provided elsewhere in this Declaration.

11.6 Special Assessments. If the Board determines that the sums estimated and budgeted for are inadequate for any reason (including, but not limited to, nonpayment of Owner Assessments, unexpected, nonrecurring or unanticipated Common Expenses, or any deficiencies in funds for any reason), the Board may propose a Special Assessment budget to cover such Common Expenses. A Special Assessment budget must be proposed and ratified as provided in Sections 11.2 and 11.3, except that a Special Assessment budget may be proposed by the Board at any time, with payment terms as determined by the Board and set forth in the notice described in Section 11.7. Assessments levied pursuant to a Special Assessment budget are Special Assessments.

11.7 Notice of Assessments. When a budget has been ratified in accordance with Section 11.3, the Board shall levy assessments pursuant thereto by notifying each Owner in writing of the amount of the Regular Assessment or Special Assessment for the Owner's Lot or Dwelling Unit. Such notice may be given to Owners prior to the ratification as part of the notice of the budget ratification meeting. Regular and Special Assessments shall become due as provided in the notice of assessments, but if no terms are provided, then the assessments shall become due and payable in equal monthly installments on the first of the month, or other interval (such as quarterly) as may be prescribed by the Board, and shall be considered delinquent if not paid by the 10th of the month, quarter or other interval designated by the Board.

11.8 Proceeds Belong to Association. All Assessments and other receipts received by the Association shall belong to the Association.

11.9 Surplus Funds. Any surplus funds of the Association remaining after payment of or provision for Common Expenses shall, at the discretion of the Board, either be paid to the Owners at the time the surplus is determined in proportion to their allocated share of Common Expenses, credited to the Residential Lot to reduce future Assessments, or transferred to the reserve accounts, at such times and in such amounts as the Board determines is in the best interests of the Association.

11.10 Association Accounts. The funds of the Association shall be kept in an accounts under the name of the Association. Association funds may not be commingled with the funds of any other person, association or entity, including any Managing Agent or any other person responsible for the custody of such funds. Except as provided in this Section, Association funds need not be kept in separate accounts so long as separate accounting is observed.

11.10.1 Reserve Fund. The Association shall create and the Board shall administer a reserve account in the name of the Association to fund major maintenance, repair, or replacement of Common Areas that will require major maintenance, repair, or replacement within thirty (30) years. The Reserve Fund shall be kept in a segregated account and any transaction affecting such funds, including the issuance of checks, shall require the signature of at least two (2) Trustees. The Association may withdraw funds from its reserve account to pay for unforeseen or unbudgeted costs that are unrelated to maintenance, repair or replacement of the reserve components, provided that: (a) the Board adopts a repayment schedule that shall not exceed twenty-four (24) months unless it determines that repayment within that time would impose an unreasonable burden on the Lot Owners; (b) such withdrawal shall be recorded in the minute books of the Association; and (c) notice of the withdrawal and repayment plan is provided to each Lot Owner. Payments for major

maintenance, repair, or replacement of the reserve components out of cycle with the reserve study projections or not included in the reserve study may be made from the reserve account without meeting the notification or repayment requirements under this Section. Any contract or other document for performance of any item specified in the Replacement Reserve shall require the approval of the Board, and the signatures of two (2) Officers or members of the Board.

11.11 Financial Records and Audit. The Association shall keep financial records sufficient to enable the Association to fully declare to each Owner the true statement of its financial status. At least annually, the Association shall prepare, or cause to be prepared, a financial statement of the Association in accordance with generally accepted accounting principles. The annual financial statement shall be audited at least annually by a certified public accountant who is not a member of the Board or an Owner, but such requirement may be waived if sixty-seven percent (67%) of the votes cast by Owners, in person or by proxy, at a meeting of the Association at which a quorum is present, vote each year to waive the audit.

11.12 Assessments are a Personal Obligation. All Assessments shall be the joint and several personal obligation of the Owners of the Lot or Dwelling Unit when the Assessment or an installment thereof becomes due. In a voluntary conveyance, the grantee of a Lot or Dwelling Unit shall be jointly and severally liable with the grantor for all unpaid Assessments associated with the Lot or Dwelling Unit up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Suit to recover personal judgment for any delinquent Assessments shall be maintainable without foreclosing or waiving the liens securing them. An Owner's obligation to pay Assessments is absolute; no Owner may claim diminution, offset or abatement of Assessments for any reason, including abandonment of the Owner's Lot or Dwelling Unit.

11.13 Lien for Assessments. The Association has a lien on a Lot or Dwelling Unit for any unpaid Assessment levied against a Lot or Dwelling Unit from the time the Assessment or an installment thereof becomes due. Recording of the Original Declaration constituted record notice and perfection of the lien for Assessments; however, the Association may record a notice of claim of lien for Assessments in Thurston County.

11.14 Lien Survives Sale. The Association's lien for unpaid Assessments shall not be affected by the sale or transfer of a Residential Lot or Dwelling Unit except in the event of sale by foreclosure (sheriff's sale), trustee's sale, contract forfeiture or deed in lieu thereof. Such sheriff's sale, trustee's sale or contract forfeiture shall extinguish the Association's lien for all Assessments or installments that became due prior to their occurrence. Such actions shall not, however, relieve subsequent Owners of the Lots or Dwelling Units from paying Assessments or installments becoming due thereafter.

11.15 Judicial Foreclosure. The Association's Assessment lien may be enforced judicially by the Association or its authorized representative in the manner set forth in RCW Chapter 61.12. The Association or its authorized representative shall have the power to purchase the Lot at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

redemption shall be eight (8) months. Nothing in this Section shall prohibit the Association from taking a deed in lieu of foreclosure. The holder of a Mortgage or other purchaser of a Lot who obtains the right of possession of a Lot through foreclosure or deed in lieu of foreclosure shall not be liable for any Assessments or installments thereof that became due prior to such right of possession. If deemed uncollectible, such unpaid Assessments shall be deemed Common Expenses. Foreclosure does not relieve the prior Owner of personal liability for Assessments or installments thereof accruing against the Lot prior to the date of such sale pursuant thereto.

11.16 Non-Judicial Foreclosure. The Association shall have the right to foreclose its Assessment lien non-judicially in the manner provided for trustees' sales under the Washington Deed of Trust Act, RCW Chapter 61.24. For such purpose, the Property and all Lots and Dwelling Units are hereby conveyed, transferred, and assigned to Chicago Title Insurance Company, as trustee, in trust with power of sale, for the benefit of the Association as security for the payment of the Assessments levied by the Association when due. Said power of sale may be exercised with respect to any given Lot or Dwelling Unit upon the failure of the Owner thereof to pay any amounts which are secured by said lien. No portion of the Property is used principally for agricultural or farming purposes. The Association or its authorized representative shall have the power to purchase the Lot or Dwelling Unit at the trustee's sale and to acquire, hold, lease, mortgage, or convey the same. If the Association forecloses its lien non-judicially pursuant to this Section, it shall not be entitled to the lien priority over Mortgages.

11.17 Receiver During Foreclosure. From the time of commencement of an action by the Association to foreclose a lien for nonpayment of delinquent Assessments against a Lot or Dwelling Unit that is not occupied by an Owner thereof, the Association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the Lot or Dwelling Unit as and when due. If the rent is not paid, the receiver may obtain possession of the Lot or Dwelling Unit, refurbish it for rental up to a reasonable standard for rental Lots or Dwelling Units in this type of community, rent the Lot or Dwelling Unit or permit its rental to others, and apply the rents first to the cost of the receivership and attorney fees thereof, then to the cost of refurbishing the Lot or Dwelling Unit, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent Assessments. Only a receiver may take possession and collect rents under this Section, and a receiver shall not be appointed less than ninety (90) days after the delinquency. The exercise by the Association of the foregoing rights shall not affect the priority of preexisting liens on the Lot or Dwelling Unit.

11.18 Acceleration of Assessments. If any Assessment levied upon a particular Lot or Dwelling Unit remains delinquent for more than ninety (90) days, the Board may, upon fifteen (15) days' written notice to the Lot or Dwelling Unit Owner, accelerate and demand immediate payment of all Assessment installments that the Board reasonably determines will become due during the next twelve (12) months with respect to the Lot or Dwelling Unit. The right of acceleration under this section is solely for the benefit of the Association. If the Board has exercised its right of acceleration under this Section, it may, in its sole discretion, reverse the acceleration.

11.19 Late Charges and Interest. The Association may establish reasonable late charges and a rate of interest to be charged on all delinquent Assessments or installments thereof. In the absence of a specified late charge, the charge shall be twenty-five dollars (\$25.00). In the absence

[PROPOSED DRAFT FOR COMMENT – DO NOT RECORD]

of another established non-usurious rate, delinquent Assessments shall bear interest from the date of delinquency at the maximum rate permitted under RCW 19.52.020. Such charges shall constitute Assessments as defined herein.

11.20 Recovery of Costs and Fees. The Association shall be entitled to recover any costs incurred in connection with the collection of delinquent Assessments, including, but not limited to, administrative costs imposed by the Manager, costs of preparing and serving notices, lien preparation, recording costs, copying, filing fees, and reasonable attorneys' fees, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the Association shall be entitled to recover costs and reasonable attorney fees if it prevails on appeal and in the enforcement of a judgment.

11.21 Certificate of Unpaid Assessments. Upon written request, the Association, shall, within fifteen (15) days, furnish to a Lot or Dwelling Unit Owner a statement signed by an Officer or authorized agent of the Association setting forth the amount of unpaid Assessments associated with that Owner's Lot or Dwelling Unit. The statement shall be binding on the Association unless and to the extent known by the recipient to be false. Lot or Dwelling Unit Owners further consent to the provision of such a certificate to the mortgagee of its Lot or Dwelling Unit and any agents thereof. The Board may establish a reasonable fee to be charged for the cost of preparing the certificate, which shall also be considered a cost of collection of the delinquent account.

## ARTICLE 12. ENFORCEMENT

12.1 Strict Compliance. Each Owner shall comply strictly with the Governing Documents as they may be lawfully amended from time to time, and the decisions of the Board relating thereto. Owners are responsible for the compliance of their Residents. Failure to comply shall be grounds for imposition of fines or other action by the Association to obtain compliance, including actions to recover sums due, damages, for injunctive relief, or any or all of them. In order to obtain equitable relief under this Declaration, no showing of irreparable injury or the lack of a remedy at law or the inadequacy of such remedy shall be required; provided, that this covenant shall not preclude an Owner or the Association from also seeking monetary damages. Such actions may be prosecuted by the Association or by any aggrieved Owner.

12.2 Owner Liability for Damage. In the event any of the Common Areas are damaged or destroyed by an Owner or Resident, the Association shall repair the damaged Common Areas in a good workmanlike manner in conformance with the pre-damage condition and shall, after giving the Owner Notice and Opportunity to be Heard, impose upon that Owner an Assessment for the cost expended for said repairs.

12.3 Notice & Opportunity to Be Heard. The Board shall promulgate Rules to create procedures that provide Owners with notice and an opportunity to be heard regarding alleged violations of the Governing Documents prior to the imposition of any fine or other charge, consistent with the Act, this Declaration and the Bylaws.



12.4 Fines. The Board shall promulgate a schedule of reasonable fines as part of its Rules for violations of the provisions of the Governing Documents. Such fines constitute Assessments as defined herein and may be collected as such, including the imposition of interest, late fees, and the creation of a lien upon failure to pay fines when due.

12.5 Remedies Cumulative. The remedies provided in this Declaration are cumulative and the Association may pursue any of them, as well as any other remedies that may be available under law although not expressed herein, either concurrently or in any order.

12.6 Costs of Enforcement. In any action to enforce the provisions of the Governing Documents, the prevailing party shall be entitled to all costs of enforcement, including reasonable attorneys' fees.

12.7 No Waiver. The failure of the Board in any instance to insist upon the strict compliance with the Governing Documents, or to exercise any right contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of any term, covenant, condition, or restriction. Acceptance of partial payment or payment of Assessments shall not constitute a waiver or ratification of any violation, or an accord and satisfaction. No waiver by the Board of any requirement shall be effective unless expressed in writing and signed by the Board.

### ARTICLE 13. LIABILITY; INDEMNIFICATION

13.1 Claims Against Association. An action alleging a wrong done by the Association must be brought against the Association and not against any Owner or any Officer, Trustee, or committee member of the Association. So long as an Officer, Trustee, or committee member has acted in good faith, without willful or intentional misconduct, upon the basis of such information as is then possessed by such person, no such person shall be personally liable to any Owner, or to any other person, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of such person, provided that this Section shall not apply where the consequences of such act, omission, error, or negligence is covered by insurance obtained by the Board.

13.2 Limitation of Liability for Utility Failure. Except to the extent covered by insurance obtained by the Board, neither the Association nor the Board shall be liable for the failure of any utility or other service to be obtained and paid for by the Board, or for inconvenience or discomfort resulting from any action taken to comply with the Governing Documents, any law, ordinance, or orders of a governmental authority. No diminution or abatement of Assessments shall be claimed or allowed for any such utility or service failure, for such injury or damage, or for such inconvenience or discomfort.

13.3 Indemnity. Except as provided in this Section, each Officer, Trustee and committee member shall be indemnified by the Association against all expenses and liabilities (including attorneys' fees) reasonably incurred by, or imposed in connection with, any proceeding in which

such person may become involved, by reason of holding or having held such position, regardless of whether or not such person holds such position at the time such expenses or liabilities are incurred. Determination of indemnification rights and procedures for payment under this Section shall be as provided in the Washington Business Corporations Act, to the extent applicable through the Nonprofit Corporations Act.

13.3.1 The Association shall not indemnify such persons in connection with a proceeding in which such persons are adjudged liable to the Association;

13.3.2 The Association shall not indemnify such persons where the act or omission constitutes intentional misconduct, knowing violation of the law, making of unlawful distributions under the Nonprofit Corporations Act, or for any such transaction in which such persons personally received a benefit to which such persons were not legally entitled;

13.3.3 The indemnity shall not extend to amounts paid in settlement unless the Association is a party to the proceeding or approves such settlement;

13.3.4 The Association has no separate obligation to indemnify such persons if such expenses and liabilities are covered by any type of insurance.

#### **ARTICLE 14. INSURANCE**

14.1 Property Insurance. The Association shall obtain and maintain property insurance covering all Common Areas, including any improvements thereon, to compensate for loss or damage by fire or other hazards commonly insured against in an amount sufficient to cover the full replacement cost of any repair or reconstruction work, in the event of damage or destruction from any hazard.

14.2 Liability Insurance. The Association shall obtain comprehensive liability insurance covering all Common Areas, and all damage or injury caused by the negligence of the Association or its agents, which shall include liability coverage for Officers and Trustees, in an amount determined by the Board to be in the Association's best interests and considering standard industry practice for associations of similar size and amenities.

14.3 Other Insurance. The Board shall have authority and discretion to obtain and maintain, as a Common Expense, such additional policies of insurance and bonds as the Board deems to be in the best interests of the Association, or to meet the requirements of lenders such as the Federal National Mortgage Association, Federal Home Loan Mortgage Association, Veterans Administration or similar agencies or lending institutions. Without limiting the foregoing, the policies authorized above may include but are not limited to the following coverages to the extent reasonably available: (1) Trustees and Officers insurance; (2) worker's compensation insurance to the extent required by applicable laws; and (3) fidelity insurance affording coverage to protect against dishonest acts on the part of Officers, Trustees, trustees and employees of the Association, and all other persons who handle or are responsible for handling the funds of or administered by, the Association. The insurance policies and bonds purchased for the Association shall have

deductibles and limits as determined in the discretion of the Board and based on the advice and recommendations of insurance agents, accountants, and other professionals as requested by the Board. The insurer(s) shall be financially sound and qualified to conduct business in the State of Washington.

14.4 Reasonably Available. To the extent reasonably available, the Association or its authorized manager shall obtain and maintain insurance coverage as set forth in this Article. If such insurance is not reasonably available, and the Board determines that any insurance described in this Article will not be maintained, the Board shall cause notice of that fact to be given to all Owners.

14.5 Owner's Insurance. Owners are encouraged to obtain insurance coverage for damage to the Owner's Lot and Dwelling Unit.

14.6 Use of Insurance Proceeds. Any destruction of or damage to a portion of Capitol City Golf Club Estates that is covered by the Association's insurance shall be repaired or replaced promptly by the Association using insurance proceeds.

## ARTICLE 15. AMENDMENTS

15.1 Certain Amendments Required. If the boundary of any Lot is changed or Lots are combined, the Board shall prepare an amendment to this Declaration that identifies the Lots or Common Areas involved, describes the action taken and states the new Common Expense allocations of the altered Lot or Lots, if any. Such amendments shall be executed by the Association and by the Owners of the Lots whose Lots were altered. In the case of a Lot boundary alteration, the amendment shall contain words of conveyance between the Owners of Lots whose boundaries are altered. The amendment shall be recorded in the name of the Association, and the grantor and the grantee. In any case where the Plat Map would be inaccurate or misleading without an amendment thereto, the Board shall also prepare and record an amendment to the Plat Map reflecting the change. All such amendments shall contain a cross-reference by recording number to any related amendment of this Declaration and shall set forth all information required by the Act. Costs of preparing, executing and recording such amendments shall be assessed to the Lot Owner (or prorated to the Lot Owners if multiple Lots are involved) as Individually Allocated Assessments in accordance with Section 11.5.

15.2 Proposed Amendments. Except as provided in Section 15.1, only a majority of the members of the Board or a written petition executed by Owners to which twenty percent (20%) of the Total Voting Power is allocated (along with a copy of the proposed amendment) may cause a proposed amendment to be submitted to the Owners for their consideration. Notice of a meeting at which an amendment is to be considered, or notice that an amendment is proposed for approval by written consent, shall include the text of the proposed amendment. However, non-material, formatting, or typographical errors may be corrected after approval is obtained, but prior to recording.

15.3 Vote or Consent Required. This Declaration may be amended only upon obtaining the approval specified in this Section.

15.3.1 Any amendment that would change the equal allocation of Common Expenses among Residential Lots and Dwelling Units (except through combination or subdivision of Lots) shall require the vote or approval of Owners to which ninety percent (90%) of the Total Voting Power is allocated.

15.3.2 Any other amendment shall require the vote or approval of Owners to which at least fifty-one percent (51%) of the Total Voting Power is allocated.

15.3.3 Nominal amendments to correct formatting, dates, spelling, grammar, cross-references, Lot or Dwelling Unit numbers or other scrivener's errors may be prepared and recorded by the Board on behalf of the Association, without a vote of the Owners.

15.4 Form of Amendment; Recording. Any amendment to this Declaration shall be prepared, executed and certified on behalf of the Association by any two Officers of the Association designated for that purpose or, in the absence of designation, by the President and Secretary of the Association. The amendment shall be in writing and shall state the consecutive number of the amendment of the Declaration in the title (e.g., "Fifth Amendment to the Amended and Restated Declaration for Capitol City Golf Club Estates"). Every amendment to this Declaration must be recorded in the real property records of Thurston County and is effective upon recording. Amendments shall be indexed in the name of Capitol City Golf Club Estates and shall contain a cross-reference by recording number to this Declaration, the Original Declaration, and any previously recorded amendment to either of them.

15.5 No Challenge After One (1) Year. No action to challenge the validity of the adoption and approval of this Declaration or any amendments thereto may be brought by any person more than one (1) year after it is recorded.

## ARTICLE 16. MISCELLANEOUS

16.1 Form and Delivery of Notice. Unless otherwise provided in this Declaration, all notices to be given under the provisions of this Declaration, the Bylaws, or Rules, shall be in writing and may be delivered either personally (by hand delivery) or by U.S. Mail. Personal delivery shall be deemed delivered when the Lot or Dwelling Unit Owner is handed such notice. Mailed notice shall be deemed to have been delivered upon being properly addressed to the Lot or Dwelling Unit address unless another mailing address has been given in writing to the president or secretary of the Association or the Managing Agent, postage paid and deposited in the mail. Notices of Association meetings or any other matter that is not required by statute to be delivered by mail may also be provided to Owners by email, but only with respect to Owners who have consented, in writing, to receive e-mail notices in accordance with RCW 24.03.009, as may be amended. Electronic notice shall be deemed delivered upon transmission of the email to the email address given to the Association by the Owner.

16.2 Association Records. The Association shall keep financial records sufficiently detailed to enable it to comply with the requirements of the Act. All financial and other records of the Association, meaning copies of the Governing Documents, membership lists, list of current

Trustees and Officers, and minutes of Association meetings, as well as any other non-privileged materials kept in the regular course of the Association's business, shall be made reasonably available for inspection by Owners and Mortgagees as provided by Rule. Owners requesting access to such documents must have a purpose for inspection reasonably related to membership interests. The Association may charge a reasonable rate for providing copies of records, and for the time taken to review the requested records to protect any privilege and the privacy interests of its Owners, or to otherwise compile, present, or provide the records for review.

16.3 Severability. The provisions of this Declaration shall be independent and severable, and the unenforceability of any one provision shall not affect the enforceability of any other provision so long as the remaining provision or provisions comply with the Act.

16.4 Rule against Perpetuities. The rule against perpetuities may not be applied to defeat any provision of this Declaration.

16.5 Effective Date. This Declaration shall take effect upon recording.

//////////

//////////

[Signatures on following page(s)]

**CAPITOL CITY GOLF CLUB ESTATES ASSOCIATION**

By: \_\_\_\_\_(signature)

Its: President

**THE UNDERSIGNED SECRETARY OF THE ASSOCIATION HEREBY CERTIFIES THAT A MAJORITY OF MEMBERS OF THE ASSOCIATION ENTITLED TO VOTE HAVE APPROVED THIS AMENDED AND RESTATED DECLARATION.**

By: \_\_\_\_\_(signature)

Its: Secretary

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, personally appeared before me, \_\_\_\_\_ and \_\_\_\_\_ known to me to be the \_\_\_\_\_ and \_\_\_\_\_ (Officers) of the Capitol City Golf Club Estates Association, the non-profit corporation that executed the within and foregoing instrument, and acknowledged the instrument to be the free and voluntary act and deed of the Association, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the instrument.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_.

\_\_\_\_\_(Signed)  
\_\_\_\_\_(Print Name)  
Notary Public in and for the State of Washington  
My commission expires: \_\_\_\_\_

**CAPITOL CITY GOLF CLUB ESTATES ASSOCIATION  
AMENDED & RESTATED BYLAWS**

Capitol City Golf Estates, a Planned Unit Development, was formed by the recording of a plat map, entitled “Plat of Capitol City Golf Club Estates” at Thurston County Auditor’s Recording No. 669686, and the Capitol City Golf Club Estates Association (the “Association”) was created pursuant to the “Covenants Applicable to Capitol City Golf Club Estates”, recorded at Thurston County Auditor’s Recording No. 670745 (the “Original Declaration”). The Association is the nonprofit corporation established to manage and govern the affairs of Capitol City Golf Club Estates. The Association is subject to the Homeowners Association Act, RCW Chapter 64.38 (the “HOA Act”), as well as certain provisions of the Washington Common Interest Ownership Act, RCW Chapter 64.90 (“WCIOA”).

The Original Declaration and all amendments thereto, were completely amended and restated by the “Amended & Restated Declaration for Capitol City Golf Club Estates,” recorded on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ at Thurston County Auditor’s Recording No. \_\_\_\_\_ (“Amended & Restated Declaration”). As referenced herein, the Amended & Restated Declaration shall include any and all subsequent amendments thereto.

These Amended and Restated Bylaws were approved by the written consent of members contemporaneously with the Amended and Restated Declaration. By the terms of the Amended and Restated Declaration, the undersigned officers are specifically authorized and empowered to execute these Amended and Restated Bylaws and adopt them as the Bylaws of the Association.

These Amended and Restated Bylaws amend, supersede and replace any and all previous Bylaws and all amendments thereto. Capitalized terms not defined herein shall have the meanings as defined in the Amended and Restated Declaration.

**These Amended and Restated Bylaws were adopted and approved as provided herein and will be published to the Owners prior to the Effective Date.**

**CAPITOL CITY GOLF CLUB ESTATES**

By:

\_\_\_\_\_  
Its President

Date: \_\_\_\_\_

\_\_\_\_\_  
Its Secretary

Date: \_\_\_\_\_

**Article 1. MEMBERSHIP**

**1.1 Members.** The Association shall have one class of Members. The Owners of Lots in Capitol City Golf Club Estates shall constitute the Members of the Association. Individual persons, corporations, partnerships, limited liability companies, trusts, and other legal entities, may be Members of the Association. Ownership of a Lot in Capitol City Golf Club Estates is the sole qualification for membership. If multiple persons or entities own a single Lot, each shall be a Member. Persons or entities that hold an interest merely as security for the performance of an obligation are not Members, however. Membership in the Association is appurtenant to the Lot owned and shall not be assigned, transferred, conveyed, encumbered, pledged or alienated in any way, except on the transfer of title to such Lot by the Owner, and then only to such transferee or contract purchaser; any attempt to make a prohibited transfer is void.

**1.2 Register.** The Association shall keep a register of the names and addresses of all Association Members. When a Lot is sold, either the seller or buyer shall promptly inform the Association as to the change in membership associated with that Lot

**Article 2. ASSOCIATION MEETINGS**

**2.1 Annual Meeting.** The annual meeting of the Members of the Association shall be held in the last quarter of the calendar year at such date, time and place as the Board shall determine. The purposes of the annual meeting shall be to elect Trustees and to transact any other business as may properly come before the meeting.

**2.2 Special Meetings.** A special meeting of the Members of the Association may be called by the President of the Association, by resolution of the Board, or upon the written request of Members holding not less than twenty-five percent (25%) of the Total Voting Power in the Association. If a special meeting is so requested by Members, the Board shall include on the agenda items requested by the Members, provided that a vote of the Members shall only be placed on the agenda if vote or consent of the Members is required or authorized by the HOA Act, the Amended & Restated Declaration, or these Bylaws.

**2.3 Notice.** It shall be the duty of the Secretary to give notice of each annual and special Association meeting. The notice of any Association meeting shall state the time and place of the meeting, the purpose of the meeting if it is a special meeting, and the items on the agenda to be voted on by the Members, including the text of any proposed amendment, changes in the previously approved budget that result in a proposed increase in assessment obligations (excluding Individually Allocated Assessments to particular Lots), and any proposal to remove a Trustee. Notice shall be provided and deemed delivered as provided in the Amended & Restated Declaration.



**2.4 Attendance.** Members may attend Association meetings in person or, if arranged by the Board, by conference telephone or similar communications equipment so that all persons participating in the meeting can hear each other at the same time, which shall constitute “attendance in person” at a meeting. Members may also participate by general or directed proxy. Members attending in person or by proxy shall be counted towards the quorum requirement. Attendance at the meeting constitutes a waiver of notice of the meeting unless, prior to or upon commencement of such meeting, the Member in attendance expressly disputes proper notice.

**2.5 Proxies.** A proxy must be executed in writing by a Member or such Member’s duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy form. Revocation of a proxy shall not be effective until written notice thereof has actually been received by the person presiding over the meeting, or, in the absence of a meeting, the Secretary. No proxy shall be effective if it is not dated or purports to be revocable without notice. Proxies may be directed, identifying how the proxy shall cast the principal’s vote, or general, giving the proxy holder discretion on how and whether to cast the principal’s vote. The Board may, but need not, provide a specific proxy form for attendance at any Association meeting.

**2.6 Quorum.** At any meeting of the Members of the Association, the attendance (in person, or by proxy) of Members holding at least ten percent (10%) of the Total Voting Power shall constitute a quorum for the transaction of business. The Members may continue to do business until adjournment of that meeting, notwithstanding the withdrawal of Members leaving less than a quorum. If business cannot be conducted due to failure to obtain a quorum, the meeting may be adjourned by vote of a majority of the Members in attendance, to be reconvened at a later time and place announced at that meeting, which reconvened meeting may be held without further notice.

### **Article 3. VOTING**

**3.1 Majority Vote.** Unless otherwise specified in the HOA Act or the Amended & Restated Declaration, passage of any matter properly submitted to a vote of the Members at a meeting where a quorum is established shall require the affirmative vote of a majority of the voting power of Members in attendance (in person or by proxy) at that meeting.

**3.2 Voting Rights.** Members have such voting rights and powers as are set forth in the Amended & Restated Declaration. The votes allocated to each Lot or Dwelling Unit may not be cast as fractional votes. Any Member may cast the vote of the Lot or Dwelling Unit he or she owns. However, if more than one vote is received for any particular Lot or Dwelling Unit and the votes are not consistent, the most recent vote shall be counted if the time of the submission of the vote can reasonably be determined. If the timing of the multiple votes cannot be determined, those votes shall not be counted except

for quorum purposes. If a Lot or Dwelling Unit is owned by an entity or trust, the vote may be cast by any officer or Trustee of the entity or trustee of the trust. Cumulative voting is prohibited.

**3.3 Voting at a Meeting.** Voting at a meeting may be by any method proposed by the Board, including written ballot. Written ballots may be submitted at the meeting or by electronic transmission if the Association has provided Members with a method to submit written ballots electronically. All ballots submitted shall be counted at the meeting or up to 48 hours after the meeting. The Board shall promptly notify the Members of the results of any vote.

**3.4 Voting by Mail or Electronic Transmission.** The Board may decide that voting of the Members shall be by mail and/or electronic transmission rather than at a meeting with respect to any election of Trustees or any other matter that requires the vote or consent of the Members, in accordance with the following procedures:

a) In the case of the election of Trustees, the Board shall determine the number and terms of Trustee positions to be filled and provide all Members with a request for nominations, along with a method and deadline for submission of names of nominees, which shall not be less than fifteen (15) days from the date of the request. Members may nominate as many Members as there are Trustee positions available and may nominate themselves. Within a reasonable time after the deadline for submission of nominations, the Board shall confirm the eligibility and willingness of the nominees to serve. Members who nominate themselves are automatically considered willing to serve. Once the nominees are determined, the Board shall provide all Members with a ballot and notice of the vote by mail and/or electronic submission. The ballot shall identify the number of Trustee positions available, shall state the names of the qualified nominees, and shall have space for a write-in vote. The notice shall state the method(s) by which ballots are to be returned and the date by which ballots are to be returned, which shall not be less than twenty (20) days after the date of the notice of vote by mail and/or electronic transmission. Ballots must be returned in sufficient quantity to constitute a quorum for an Association meeting. If the quorum requirement has not been met by the initial deadline for return of ballots, the voting deadline shall be extended for one or more thirty (30) day periods until a quorum has been achieved. The Board shall promptly provide all Members with notice of the deadline extension. Ballots received after the final deadline shall not be effective. Once a quorum is achieved, the nominees with the most votes at the time of the expiration of the deadline shall fill the Trustee positions and the Board shall promptly provide all Members with the results of the election. The newly elected Trustees' terms shall begin on the last deadline specified in the notice for the return of ballots.

b) In the case of a vote by mail or electronic transmission for any matter other than elections of Trustees and Amendments, the Board shall provide a

written ballot designated by the Board along with written notice of the vote by mail or electronic transmission to all Members. The notice shall include a description of the proposed action to be voted upon by the Members and shall state that Members are entitled to vote by mail and/or electronic transmission for or against the proposed action by returning the ballot to the Association in the specified manner by mail and/or by electronic transmission on or before a specified date not less than twenty (20) days after the date of the notice of vote by mail. Ballots must be returned in sufficient quantity to constitute a quorum for an Association meeting. If the quorum requirement has not been met by the deadline first set for return of ballots, the Board may, in its discretion, extend the voting deadline for additional thirty (30) day periods until a quorum has been met, and shall promptly provide all Members with notice of the deadline extension. Ballots received after the last deadline shall not be effective. The proposed action to be voted on shall pass if approved by the affirmative vote of Owners holding a majority of the votes returned in the manner required, unless a greater or lesser voting requirement is established by the Amended & Restated Declaration or Bylaws for the matter in question.

c) **Written Consent for Amendments.** Amendments to the Amended & Restated Declaration, Survey Map, or Bylaws may be approved by written consent in accordance with the following procedures: The Board shall provide a written consent form designated by the Board along with written notice of the vote by written consent to all Members. The notice shall include the text of the proposed amendment and shall state that Members are entitled to vote by written consent for or against the amendment by returning the written consent form to the Association in the specified manner on or before a specified date not less than twenty (20) days after the date of the notice of vote by written consent. If written consents have not been returned in sufficient number to pass an amendment, the Board may, by resolution, extend the voting deadline for additional periods of up to sixty (60) days, and shall promptly provide all Members with notice of the deadline extension. Written consent forms received after the last deadline shall not be effective. The amendment shall pass if approved by the requisite percentage of the Total Voting Power of the Association as specified by the HOA Act or the Amended & Restated Declaration.

#### **Article 4. BOARD OF TRUSTEES**

**4.1 Number & Qualifications.** The affairs and property of the Association shall be managed by the Board of Trustees. The Board shall consist of the number of Trustees as stated in the Amended & Restated Declaration. Only Members of the Association in good standing (meaning, current on all assessment obligations or repayment terms) are qualified to be elected and to serve as Trustees. If any Member is a corporation, partnership, limited liability company, trust, or other legal entity, that Member's Trustees, officers, partners, or equivalent managers are qualified to be elected as Trustees, provided

that such persons shall be disqualified from serving as Trustees of the Association if and when they become dissociated from the entity Member. If a Trustee becomes delinquent on any assessment obligation during their term, upon notice of such delinquency from the Board or the President, and failure to cure or reach satisfactory repayment terms within sixty (60) days, then such Trustee may be immediately removed from the Board by a majority vote of the remaining Trustees. Such vacancy may be filled by appointment of the remaining Trustees.

**4.2 Election & Terms.** Regular election of Trustees shall occur at the annual meeting or by mail or electronic transmission as provided for herein. Cumulative voting for Trustees is prohibited. Trustees shall take office immediately following the close of the annual meeting at which they are elected and shall serve for a term of approximately three (3) years, from that Trustee's election to election of a successor three (3) calendar years later. The terms of the Trustees shall be staggered so that a minority of the Trustees are elected each year. At an election, the Board shall have the power to vary the terms of Trustee positions that are up for vote to ensure the terms are staggered, provided that such power shall not be exercised in a manner that would shorten the term for any Trustee elected by the Members.

**4.3 Powers and Duties.** The Board shall have the powers and duties provided for in the HOA Act, the Nonprofit Corporations Act, the Articles of Incorporation, and the Amended & Restated Declaration, as may be qualified therein, and all other powers necessary for the administration of the property and affairs of the Association. The Board may delegate administrative and other tasks to a Managing Agent in the reasonable discretion of the Board.

**4.4 Standard of Care.** A Trustee shall perform his or her duties in good faith, in a manner such Trustee believes to be in the best interests of the Association, and with ordinary and reasonable care.

**4.5 Compensation.** Trustees shall receive no compensation for their services as Trustees, except that Trustees may be reimbursed for actual expenses incurred because of their position.

**4.6 Vacancies.** Vacancies on the Board for any reason other than removal of a Trustee by the Members may be filled by the affirmative vote of a majority of the remaining Trustees, even though they may constitute less than a quorum. Alternatively, by the affirmative vote of the majority of the remaining Trustees, such vacancies may be filled by election of the Members at the annual meeting or at a special meeting of the Association called for that purpose. Trustees appointed or elected to fill vacancies under this Section shall serve the balance of predecessor's term.

**4.7 Removal.** Trustees may be removed from the Board, with or without cause, in accordance with the procedures of this Section. Notice of any regular or special

meeting shall contain the proposal to remove the Trustee(s) by name. Any Trustee whose removal has been proposed shall be given an opportunity to be heard at that meeting. A Trustee shall be removed if the Members, by a majority vote of the voting power present, in person or by proxy, and entitled to vote at any meeting of the Members at which a quorum is present, vote in favor of removal. Any Trustee vacancy due to removal shall be filled by election by the Members, either during the same meeting immediately after removal, provided notice of the potential for an election is contained in the removal meeting notice, or within sixty (60) days following the meeting at which the Trustee was removed. If all Trustees are removed, any removed Trustee shall have the authority to conduct an immediate election to fill vacancies. Trustees elected to fill vacancies under this Section shall serve the balance of their successor's term.

**4.8 Board Meetings.** The first organizational meeting of a newly constituted Board shall be held immediately after or within ten (10) days of the meeting at which Trustees are elected, or last deadline for election of Trustees by mail or electronic transmission. Regular meetings of the Board shall be held at such place, day, and time as the Board from time to time may specify, provided that at least two (2) regular meetings shall be held during the fiscal year. Special meetings of the Board may be called by the President of the Association or a majority of the Trustees, and may be held at such place, day, and time as the notice may specify. Trustees may attend meetings in the same fashion as Members attend Association meetings, except that proxies are not effective for Board Meetings. The acts of the majority of the Trustees present at a meeting at which a quorum is present shall be the acts of the Board.

**4.9 Notice.** No additional notice of regular Board meetings need be given if the place, day and time thereof shall have been fixed by resolution of the Board of Trustees and a copy of such resolution mailed to every Trustee at least three (3) days before the first meeting held pursuant thereto. Notice of the place, day and time of all other meetings of the Board shall be given to each Trustee by mail, personal delivery, telecopy, email (if and only if a Trustee has consented, in the form of a record, to receive such notices by email), or by personal communication over the telephone or otherwise, at least 72 hours prior to the time the meeting is to be held. Notice of any Board meeting may be waived in writing by any Trustee at any time, including after the meeting. Attendance of a Trustee at any Board meeting shall constitute waiver of notice unless a Trustee expressly challenges the notice when the meeting begins. If all Trustees are present at any meeting of the Board, no notice shall be required and any business may be transacted at the meeting.

**4.10 Action Without a Meeting.** The Board of Trustees may take any action which it could properly take at a meeting, without a meeting, if a consent in writing setting forth the action so taken shall be signed by all the Trustees. Such consent shall have the same effect as a unanimous vote. Any such actions shall be added to the minutes of the next Board meeting.

**4.11 Open Meetings.** Any Member may attend any meeting of the Board, but shall not be entitled to participate except with the consent of the Board. However, the Board may, during the meeting, conduct an executive session outside of the hearing of attendees, to discuss sensitive or privileged information including any discussion that would be subject to the attorney-client privilege, likely or pending litigation matters, matters involving possible violations of the Governing Documents, matters involving the possible liability of an Owner to the Association, the receipt or evaluation of complaints or charges brought against any employee of the Association, to evaluate the qualifications of an applicant for employment; provided that any action to be taken by the Board shall be stated in the open meeting after the executive session is adjourned and shall be reflected in the minutes.

**4.12 Quorum.** At all meetings of the Board, a majority of the Trustees shall constitute a quorum for purposes of transacting business. If there is less than a quorum present at any meeting of the Board, the majority of those present may adjourn the meeting and make a good faith effort to timely notify the absent Board members of the date, time and place of the adjourned meeting. At resumption of the adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice. Regular or special meetings of the Board may be held by means of conference telephone or other similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, which shall constitute attendance at a meeting.

## **Article 5. OFFICERS**

**5.1 Designation.** The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. Two or more offices may be held by the same person, except that a person may not hold the offices of President and Secretary simultaneously.

**5.2 Election of Officers.** The officers of the Association shall be elected annually by and from the Board at the first Board meeting after the election of new Trustees.

**5.3 Removal of Officers.** At any regular meeting of the Board, or at any special meeting of the Board called for such purpose, any officer may be removed upon the affirmative vote of a majority of the Trustees, and a successor elected, whenever, in the judgment of Board, the interest of the association will be served thereby.

**5.4 President.** The President shall preside at all meetings of the Association and of the Board. He or she shall have all powers and duties usually vested in the office of the President, and shall have and perform such other duties as may be prescribed by the Board.

**5.5 Vice President.** The Vice President shall perform the duties of the President when the President is absent or unable to act, and shall perform such other duties as may be prescribed by the Board.

**5.6 Secretary.** The Secretary shall keep the minutes of all meetings of the Board and of the Association and shall have custody of the business records of the Board and the Association, other than financial records kept by the Treasurer. The Secretary shall also perform such other duties as may be prescribed by the Board.

**5.7 Treasurer.** The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association.

**5.8 Other Officers and Employees.** Other officers of the Association and any persons employed to assist the Board and/or officers, such as a Managing Agent, shall have such authority and shall perform such duties as the Board may prescribe or delegate within the provisions of the applicable statutes, the Amended & Restated Declaration, and these Bylaws.

**5.9 Rules of Procedure.** The Board of Trustees may adopt rules of procedure to govern any Board or Association meeting to the extent not inconsistent with applicable statutes or the Governing Documents.

## **Article 6. COMMITTEES**

**6.1 Committees of the Board.** The Board may, by resolution, create Committees of the Board to assist in carrying out the duties of the Board, and appoint persons to such committees, provided that the committee consists of at least two (2) or more Trustees. Committees of the Board shall have and exercise the authority of the Board in the management of the Association to the extent provided in the resolution establishing the committee. The appointment of Committees of the Board shall not relieve the Board of its ultimate responsibility for the administration and management of the Association. The Board may add or remove persons from Committees of the Board from time to time at its discretion.

**6.2 Advisory Committees.** The Board may, by resolution, create Advisory Committees to assist the Board in carrying out its duties, and appoint persons to such committees. Advisory committees may not exercise the authority of the Board in the management of the Association. The Board may add or remove persons from such committees from time to time at its discretion.

## **Article 7. AMENDMENTS**

*PROPOSED DRAFT FOR COMMENT – DO NOT SIGN*

**7.1 Procedure.** These Bylaws may be amended as provided in the Amended & Restated Declaration. In the absence of reference to amendment of the Bylaws in the Amended & Restated Declaration, amendments to these Bylaws shall be proposed by Board Resolution and adopted by vote or consent of the Members, present at a meeting in person or by proxy, holding a majority of the Total Voting Power of the Association.

**7.2 Execution & Publication.** Amendments to these Bylaws shall be executed by the President of the Association and attested by the Secretary, or by any officer designated by the Board. Once adopted by the Board and approved by the Members, the Board shall authorize publication of any Bylaw amendment. Amendments to the Bylaws are effective upon the later of the date of publication to the Members or the date expressly stated in the amended Bylaws.

**7.3 Effective Date.** These Bylaws shall take effect on \_\_\_\_\_.  
[XXX - to be filled in by Board after Member approval]

/////////  
/////////