

2002

Condo Owners: We will be voting on amended Bylaws. The current Bylaws were adopted in 1990 under the Kahler Glen Homeowners name, and not updated when the Declaration was amended.

BYLAWS OF KAHLER GLEN CONDOMINIUM ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the Association is Kahler Glen Condominium Association. The principal office of the Association is Located at 20890 Kahler Drive, Leavenworth, Washington 98826, but meetings of the members and directors may be held at such places within the State of Washington as may be designated by the Board of Directors.

ARTICLE II

PURPOSE

The purpose of these Bylaws is to facilitate the administration of the Kahler Glen Condominium Association which was created by and is governed by the recorded Declaration Establishing Covenants Conditions, Restrictions and Easements for Kahler Glen Condominiums, as recorded November 13, 1989, under Chelan County Auditor's No. 8911140004 and amended, as recorded July 10, 2000 under Chelan County Auditor's No. 2077183.

ARTICLE III

DEFINITIONS

The terms in these Bylaws are subject to the definitions contained in Section 1 of the Declaration described above.

ARTICLE IV

OWNERS' ASSOCIATION AND VOTING

Section 1 : Membership All of the owners of the units constitute the Kahler Glen Condominium Association as provided by the Act. Natural persons, partnerships, corporations, trusts or other lawful business entities may own or have ownership interest in units. All owners also are members of the Kahler Glen Community Association which will involve the right to use and a duty to maintain the road, water and septic systems, and tennis/sport courts and cross country ski trails.

Section 2: Voting Power The total voting power is the sum of one (1) vote per unit. If a person, corporation or firm owns more than one unit, he/she/it has one vote for each unit owned. Garage ownership shall not be considered a unit for voting purposes.

Section 3 : Voting Agent There is one voting owner or agent for each unit. Such voting owner or agent is designated by the owner(s) of a unit by written notice signed by each party with an ownership interest, which notice is filed with the Board or managing agent. The voting owner or agent may be revoked at any time in writing by ownership interests.

ARTICLE V

MEETINGS

Section 1: Annual Meeting There shall be an annual meeting of the owners on the the first weekend of May of each year, or at such other date designated by the Board, at such reasonable place and time as may be designated by written notice of the Board, delivered to the owners not less than twenty (20) days prior to the date for said meeting. At the annual meeting, the Board shall present a report of the common expenses, itemized receipts and disbursements for the preceding twelve (12) months, the allocation thereof to each owner, and the estimated common expenses for the coming year. Within ten (10) days after the annual meeting, a statement summarizing the report shall be delivered or mailed to the owners not present at the meeting. The Board at any time, or twenty- five (25 %) of the owners by written request, may require that an audit of the owners' Association and management books be presented at any annual or special meeting. A unit owner, at his own expense, may at any reasonable time make an audit of the books of the Board and manager.

Section 2: Special Meeting Special meetings of the owners may be called at any time for the purpose of considering matters which require the approval of all or some of the owners, or for any reasonable purpose. Said meeting is called by written notice, signed by a majority of the Board, or by the owners having twenty-five (25%) percent of the total votes and delivered not less than twenty (20) days prior to the date fixed for the said meeting. Said notices specify the date, time and place of the meeting, and the matters to be considered at such meeting.

Section 3: Quorum The presence at any meeting of unit owners, their agents or proxies having a majority of the total votes constitutes a quorum. In the event that a quorum is not present at any meeting, the owners present, though less than a quorum, may adjourn the meeting to a later date and give notice thereof to all the owners in accordance with the notice provisions of the Declaration. At that later meeting whatever owners are present constitutes a quorum. Any action may be taken at a meeting of the owners upon the affirmative vote of a majority of the voting power of the owners present and voting, provided that a quorum is present.

Section 4: Notices Any notice permitted or required to be delivered as provided is delivered either personally or postmarked twenty (20) days prior to the meeting.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

Section 1: Nomination: Nomination for members of the Board of Directors shall be made by any member at the annual meeting or by the Board of Directors. Section 2: Election Election to the Board of Directors is by secret written ballot. At such election, the members may vote in person, or by proxy in response to each vacancy.

Each condominium unit may cast one (1) vote. The persons receiving the largest number of votes are elected. Cumulative voting is not permitted. If a Director's position becomes vacant for any reason during a term, the Board of Directors appoints a Unit Owner to fill that position until the next election of Directors, even if that position was in its first year of a two-year term.

ARTICLE VII

BOARD OF DIRECTORS

Section 1: Number of Directors The business of the Association is managed by a Board of Directors. The number of Directors which constitutes the whole Board is to be no less than five (5) and no more than seven (7). At all times the number is to be an uneven number.

Section 2: Election. At each annual meeting the owners elect Directors to replace those whose terms have expired. Nominations for the Board may be made by any unit owner.

Section 3: Term Approximately one-half (1/2) of the Directors of the Board of Directors terminate annually. Directors' terms on the Board are for two (2) years with Directors alternating years. If there are five Directors, three (3) terms terminate one year and the other two (2) terms terminate the following year. If there are seven (7) Directors, then four (4) terms terminate the first year, and three (3) terms terminate the following year.

The members of the Board serve until their respective successors are elected or until their death, resignation or removal; if any member ceases to be an owner, his membership on the Board is terminated. In the event of a vacancy occasioned by any cause, the remaining Board members elect a replacement Board member who serves the remainder of the term.

Section 4: Removal of Directors The Unit Owners, by a two-thirds (2/3) vote of the voting power in the Association present and entitled to vote at a meeting of the Unit Owners at which a quorum is present, may remove any member of the Board of Directors with cause.

Section 5: Compensation No Director receives compensation for any service rendered to the Association. However, a Director may be reimbursed for actual expenses incurred in the performance of duties.

Section 6: Action Taken Without A Meeting The Directors have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Approval also may be given by telephone or e-mail so long as written approval or e-mail approval is obtained within five business days from those voting by phone. Any action so approved has the same effect as though taken at a meeting of the Directors.

ARTICLE VIII
POWERS AND DUTIES OF DIRECTORS

Section 1: Powers

- a. Adopt and publish rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of the members and their guests and establish penalties for the infractions.
- b. Suspend the voting rights of a member during any period in which such member is in default in the payment of any assessment levied by the Association. Such rights also may be suspended after notice and hearing, for a period not to exceed sixty (60) days for infractions of published rules and regulations.
- c. Exercise for the Association all powers, duties and authority delegated to this Association and not reserved to the membership by other provisions of the Bylaws or Declaration.
- d. Declare the office of a member of the Board of Directors to be vacant in the event such member is absent from three (3) consecutive regular meetings of the Board of Directors.

Section 2: Duties

- a. Keep a complete record of all its acts and Association business and present a statement at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-half (1/2) of the members.
- b. Supervise officers, agents and employees of this Association, and see that their duties are properly performed.
- c. Cause all officers or employees having fiscal responsibilities to be bonded, as deemed appropriate.
- d. Cause the Common Areas to be maintained.

ARTICLE IX

OFFICERS AND THEIR DUTIES

Section 1: Enumeration of Officers The officers of this Association are a president, vice-president, secretary and treasurer, who at all time are members of the Board of Directors, and other officers or committee chairs as the Board may from time to time by resolution create.

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

Section 3: Term The officers of this Association are elected annually to the Board and each holds office for two (2) years unless he sooner resigns, or is removed or otherwise disqualified to serve.

Section 4: Resignation and Removal Any officer may be removed from office, with cause, by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect at time specified; and unless otherwise specified the acceptance of such resignation is not necessary to make it effective.

Section 5: Vacancies A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy serves for the remainder of the term of the officer he replaces.

Section 6: Multiple Offices The offices of secretary and treasurer may be held by the same person. No person simultaneously holds more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 7: The duties of the officers are as follows:

- a. **President:** The president presides at all meetings of the Board of Directors; sees that orders and

resolutions of the Board are carried out; signs all contracts and other written instruments.

- b. Vice President: The vice president acts in the place and stead of the president in the event of his/her absence, inability or refusal to act, and exercises and discharges such other duties as required of him/her by the Board.

- c. Secretary: The secretary records the votes and keeps the minutes of all meetings and proceedings of the Board and of annual of special meetings of members; serves notice of meetings of the Board and of the members; keeps appropriate current records to include the members of the Association together with their addresses and performs other duties as required by the Board.

- d. Treasurer: The treasurer coordinates with the bookkeeper and the property manager the receiving and depositing of monies in appropriate bank accounts, and the distribution of funds as directed by resolution of the Board of Directors, keeps proper books of account; and prepares an annual budget all statement of income and expenditures to be presented to the membership at its regular annual meeting, and delivers a copy of each to the members.

ARTICLE X

COMMITTEES

The Board of Directors appoints committees as appropriate for carrying out its purpose.

ARTICLE XI

MANAGER

To the extent deemed advisable, the Board may contract the services of a person or firm to manage the affairs of the Condominium ("the manager"). Likewise, the Board may hire other personnel determined necessary or proper for the operation of the common areas, whether such personnel are employed directly by the Board or are furnished by the manager.

ARTICLE XII

BOOKS AND RECORDS

The books, records and papers of the Association at all times, during reasonable business hours, are subject to inspection by any member. This includes the Declaration, the Articles of Incorporation, the Bylaws of the Association, and Master Declaration; copies of which are available for each member.

ARTICLE XIII

ASSESSMENTS

As more fully provided in the Declaration and its amendments, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien on the property against which the assessment is made. Any assessments which are not paid within thirty (30) days after the due date, bears interest from the date of delinquency at the rate of twelve percent (12%) per annum or the highest rate provided by law, whichever is lower. The Association may bring an action at law against the unit owner personally obligated to pay the same and/or foreclose the lien against the property as provided for in the Declaration; interest, costs, and reasonable attorneys' fees of any such action (including appeals) shall be added to the amount of such assessment, as provided in the Declaration. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse or abandonment of a unit.

ARTICLE XIV

AMENDMENTS

Section 1: Bylaws: These Bylaws may be amended, at a regular or special meeting of the members, by a three fourths (3/4) vote of a quorum of members present in person, by mail, or by written proxy. Each Unit is entitled to one (1) vote.

Section 2: Conflict: In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles control; and in the case of any conflict between the Declaration or the Master Declaration and these Bylaws, the Declaration controls.

ARTICLE XV

ATTORNEY FEES

Should any dispute arise regarding the terms of these Bylaws, the Declaration, the Articles of Incorporation, the Master Declaration, or the Rules and Regulations of the Association, the prevailing party shall recover reasonable attorney fees and costs, including those for appeals.

ARTICLE XVI

VENUE

Venue, for purposes of these Bylaws, shall be Chelan County, Washington.

ARTICLE XVII

FISCAL YEAR

The fiscal year of the Association is from May I through April 30 of the following year.

ARTICLE XVIII

SEVERABILITY

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any provision shall not affect any other provision hereof.

The above Bylaws of the Kahler Glen Condominium Association were duly adopted at the annual meeting held on May 4, 2002.

ATTEST:

KAHLER GLEN CONDOMINIUM ASSOCIATION

By: _____