

BYLAWS
OF
THE VILLAGES OF GARRISON CREEK
MASTER PROPERTY MANAGEMENT ASSOCIATION

ARTICLE I.
Object and Definitions

A. Definitions: As used in these Bylaws, the term "Association" shall mean The Villages of Garrison Creek Master Property Management Association, a non-profit corporation.

The terms "Owner," "Contract Purchaser," and "Member" as used herein shall be synonymous.

Unless the context requires otherwise, the definitions given in the Declaration of Restrictive Covenants of the Village of Garrison Creek, as amended from time to time (herein called "Declaration"), shall apply.

B. Purpose: The purpose of the Association is to own, develop, and maintain all common areas within The Village of Garrison Creek and to administer, as necessary, the rules and regulations which pertain to the enforcement of the covenants, conditions, and restrictions which apply to The Villages of Garrison Creek and its residents.

C. Powers: The Association shall have all powers enumerated in these Bylaws and not inconsistent with the terms of the Declaration.

D. Application of Bylaws: These Bylaws, and the rules and regulations established from time to time by the Association, shall apply to all present and future lot Owners or Contract Purchasers, and others having a legal or equitable interest in any lot, together with any occupant of any lot, and Members' guests.

ARTICLE II.
Membership - Voting - Registration

A. Membership: Each lot Owner or Contract Purchaser, as defined in the Declaration, shall automatically become a Member of the Master Property Management Association.

B. Voting: There shall initially be 418 votes authorized, to be cast by the Members according to the procedures established in these Bylaws. The number of votes shall be equal to the number of living units within The Villages. Each lot Owner or

Contract Purchaser shall be entitled to one (1) vote for each lot owned. The voting power of each Member shall be equal to every other member. Each unit Owner or Contract Purchaser shall be entitled to one vote for each lot or living unit owned and subject to the Declaration. The voting interest of each lot or living unit must be cast as a single vote. There shall be only one vote assigned to the nursing home, developed as **Phase 3** of The Villages. A husband and wife shall be considered as being one (1) Member. If an individual has a fee interest or Contract Purchaser's interest in more than one (1) lot or unit, that individual shall be entitled to one (1) vote for each lot or unit. The Declarant/Owner shall have one (1) vote for each unsold lot, living unit, or proposed living unit; for these purposes, "proposed living unit" shall be defined as the number of living units approved by the municipality to be developed for residential purposes. The Declarant/Owner shall continue to hold the voting rights with respect to all land, lots, and proposed living units for which it remains in title.

C. Voting Representative: An Owner may, by written notice to the Board, designate a voting representative for his or her lot. The voting representative need not be an Owner. The designation may be revoked at any time by written notice to the Board from the Owner or by actual notice to the Board of the death or judicially declared incompetence of the Owner, except in cases in which the person designated is a mortgagee of the lot. This power of designation and revocation may be exercised by the guardian of an Owner, the attorney-in-fact for the Owner under a durable power of attorney, and the administrators or executors of an Owner's estate. If no designation has been made among multiple Owners of a lot, or if a designation has been revoked and no new designation has been made, all votes allocated to each lot may be cast by one of the multiple Owners present at the meeting or, if more than one of multiple Owners are present, according to the agreement of a majority in interest of such Owners in the lot.

D. Joint Owner Disputes: The voting interest of each lot must be cast as a single vote. Fractional votes shall not be allowed. If joint Owners are unable to agree how their vote shall be cast, they shall lose their right to vote on the matter in question.

ARTICLE III.

Meetings of Members of the Association

A. Meeting Place: All meetings of the Members shall be held at such reasonable place within the City of College Place or the City of Walla Walla, Washington, as shall be determined from time to time by the Board of Directors, and the place at which any such meeting shall be held shall be stated in the notice of the meeting.

B. Annual Meeting Time: The annual meeting of the Members for the election of Directors and for the transaction of such other business as may properly come before the meeting shall be held in October, November, or December of each calendar year at a time established by the Board of Directors upon thirty (30) days written notice to all parties.

C. Special Meetings: Special meetings of the Members for any purpose may be called at any time by the President, a majority of the Board of Directors, or Owners holding twenty (20%) percent of the votes in the Association.

D. Notice: Notice of any special meetings shall be given to each Member by delivering personally or by mailing a written notice of the same at least ten (10) days, and not more than fifty (50) days, prior to the meeting. If the meeting is a special meeting of the Members, the notice shall also state the purpose or purposes for which the meeting is called.

E. Quorum: A quorum of Owners at any annual or special meeting of the Association shall be the presence, in person or by proxy, of persons holding 75 votes, unless otherwise expressly provided herein. If a quorum is present at any such meeting, any action may be taken by an affirmative vote of a majority of the total votes cast at the meeting, except as otherwise expressly provided in the Declaration.

F. Waiver of Notice: Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except where a Member attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. A waiver of any notice required to be given any Members, signed by the person or persons entitled to such notice, whether before or after the time stated therein for the meeting, shall be equivalent to the giving of such notice.

ARTICLE IV. The Board of Directors

A. Number and Powers: The affairs of the Association shall be managed by a Board of seven (7) Directors. Two (2) directors shall be appointed by the Declarant/Owner of The Villages, and five (5) directors shall be elected by the Members of the Association. Directors need not be Members of the Homeowners Association or residents of The Villages. Each Director shall be elected for a one (1) year term, or until their successors are duly elected and qualified. In addition to the powers and authority expressly conferred upon it by these Bylaws and the Declaration, the Board of Directors may exercise all powers as provided by law.

B. Change of Number: The number of Directors appointed by the Declarant may not be changed without the specific written consent of the Declarant/Owner. With the approval of the Declarant, the number of Directors may be increased or decreased, provided that no change may affect the term of any Director.

C. Vacancies: All vacancies in the Board of Directors, whether caused by resignation, death, or otherwise, shall be filled by election of the remaining Members of the Board of Directors, if such position was originally subject to election by Members; or

if such Director was appointed by the Declarant/Owner, then such Director shall be replaced by appointment of the Declarant/Owner. A Director elected to fill any vacancy shall hold office for the unexpired term of his predecessor and until his successor is elected and qualified at the next annual meeting of Members.

D. Removal of Directors: Any Director elected by the Members may be removed, with or without cause, by a majority vote of the Owners at a special meeting of the Association called for such purpose. A Director appointed by the Declarant/Owner may only be removed by the Declarant/Owner and replaced by appointment of the Declarant/Owner.

E. Regular and Special Meetings: Meetings of the Board of Directors may be held at any time as called by the President. They may be held with or without notice. Attendance of a Director at a meeting shall constitute waiver of notice.

F. Quorum: A majority of Members of the Board shall constitute a quorum, provided that the Directors appointed by the Declarant are present. No action by the Board of Directors may be taken unless all Members of the Board of Directors have been given notice of such meeting. The Board of Directors shall act by a majority vote of those present at its meeting where a quorum exists.

G. Action by Directors Without a Meeting: Any action required or which may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so to be taken, shall be signed by each of the Directors. Such consent shall have the same effect as a unanimous vote.

H. Action of Directors by Communications Equipment: Any action required or which may be taken at a meeting of Directors, or of a committee thereof, may be taken by means of a conference telephone call or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time.

ARTICLE V. Officers

A. Designations: The officers of the Association shall be a President and a Secretary/Treasurer, who shall be elected by the Board of Directors. The Board of Directors may also from time to time elect a Vice President. The officers shall be elected for a term of one (1) year and shall hold office until their successors are elected and qualified. Any two or more offices may be held by the same person, except the offices of President and Secretary.

B. President: The President shall preside at all meetings of the Members and Directors, shall have general supervision of the affairs of the Association. and shall

perform all such other duties as are incident to the office or are properly required by the Board of Directors.

C. Vice President: During the absence or disability of the President, the Vice President, if any, shall perform the functions of the President. The Vice President shall have such powers and discharge such duties as may be assigned to him from time to time by the Board of Directors.

D. Secretary/Treasurer: The Secretary/Treasurer shall be a combined office. The Secretary/Treasurer shall issue notices of meetings, shall keep the minutes, shall have charge of the corporate books and records, shall disburse funds of the Association, and shall perform other duties as assigned by the Board of Directors from time to time.

E. Delegation: In the case of absence or inability to act of any officer of the Association and of any persons herein authorized to act in his place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer or any Director or other person whom it may select.

F. Vacancies: Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting of the Board.

G. Other Officers: The Board of Directors may elect such other officers and agents as it shall deem necessary or expedient who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors. Special officers elected need not be Members of the Board of Directors.

H. Compensation: The Board may authorize the payment of reasonable compensation to any officer or agent who performs substantial services for the Association in carrying out management functions. There shall be no compensation to Board members or officers.

ARTICLE VI. Finance — Handling of Funds

A. Depositories: The monies of the Association shall be deposited in the name of the Association in such bank or banks or trust company or trust companies as the Board of Directors shall designate and shall be drawn out only by check or other order for payment of money signed by such persons and in such manner as may be determined by resolution of the Board of Directors.

B. Accounts: The Association may maintain separate accounts to properly provide for the operation and maintenance of the property.

ARTICLE VII.
Assessments and Liens

A. Property Subject to Liens: Each owner and Contract Purchaser, his or her heirs, successors, and assigns, agrees to pay to the Association the dues, assessments, and charges levied by the Association for purposes of management, upkeep, maintenance, capital improvements, and other expenses necessary for the common good. The Board of Directors shall have the authority to make assessments for the purpose of maintaining and improving all roadways, private park areas, common walkways, and all common areas dedicated to the ownership of the Master Property Management Association for the benefit of The Villages. The amount of any assessment, plus interest, costs and attorney fees, shall be a lien upon each lot in the event of failure of the Owner to pay the same, and it may be foreclosed as hereinafter provided.

B. Preparation of Budget: Prior to the annual meeting each year, the Board shall estimate the charges (including common area expenses and any special charges) necessary for the year and an allocation of the charges between each of the villages and how the assessment shall be levied among and between the Owners in the village and subdivision. The budget shall include all funding necessary to meet the needs of the Association as reasonably anticipated during the succeeding year. The budget shall be presented to the Owners at the annual meeting and shall be ratified by the Owners prior to enforcement. If deemed necessary, the Board may create and maintain a reserve fund for any capital expenditures as deemed appropriate.

C. Monthly Assessment for Common Expenses and Accrual of Assessments: The sums required by the Association for expenses as reflected by the budget and any supplemental budgets shall be divided into installments to be paid monthly (or as otherwise provided by the Board) over the period of time covered by the budget and by each Owner. Allocation among subdivisions or villages shall be established by the Board of Directors. Assessments within each village shall be equal between lots and/or family living units.

D. Special Assessments: If a special assessment becomes chargeable against a particular village or against a particular lot within the planned unit development, the Board shall determine the amount of such special assessment and fix the date or times in which it is to be paid. The special assessment made by the Board direction shall be added to the lot's monthly installment of common expenses and be included in the assessment against the lot. A special assessment against a village or lot shall be assessed on the basis of specific benefit or specific allocation of expense to such village or lot.

E. Payment of Assessments: Each Owner shall pay, or cause to be paid, to the Secretary/Treasurer of the Association the assessment against each lot on a timely basis according to the payment schedules established by the Board. Any assessment not

paid in a timely manner shall be subject to late charges, interest charges, and collection procedures as established by the Declaration.

F. Proceeds Belong to Association: All assessments and other receipts received by the Association on behalf of any lot shall belong to the Association.

G. Failure to Assess: Any failure by the Board or the Association to make the budget and assessments hereunder before the expiration of any budget period for the ensuing period shall not be deemed a waiver or modification in any respect of the provisions of the Declaration or a release of the Owners from the obligation to pay assessments during that or any subsequent time period, and the monthly assessments and amounts previously established shall continue until a new assessment is established.

H. Certificate of Unpaid Assessments: Upon the request of any Owner, Mortgagee, prospective purchaser, or prospective Mortgagee of a lot, the Board shall furnish within fifteen (15) days after a request therefor, a certificate in recordable form stating the amount, if any, of unpaid assessments charged to the lot. The certificate shall be binding upon the Board, the Association, and every Owner as to the amount of such indebtedness on the date of the certificate unless and to the extent known by the recipient to be false.

I. Assessments Are a Lien; Priority: All unpaid sums assessed by the Association for the share of the expenses chargeable to any lot and any sums specially assessed to any lot under the authority of the Declaration or the Bylaws (together with interest, fines, late charges, costs, and attorneys' fees in the event of delinquency) shall constitute a continuing lien on the lot and all its appurtenances from the time the assessment is due. The lien of the dues and assessments established in this section shall be superior to any mortgage or other lien, except first mortgage interests. No mortgagee shall be responsible for collecting assessments. Nevertheless, mortgagees shall be responsible for payment of all assessments which become due as of the date of acquisition of ownership by such mortgagee by the sheriff's sale in an action of judicial foreclosure, the date of the trustee's sale in a non-judicial foreclosure, or the date of recording of a Declaration of forfeiture and proceeding by the vendor under a real estate contract. Furthermore, unless specifically prohibited by the rules of the lender, such mortgagee shall be responsible for any liens as a result of assessments for common expenses (excluding any amounts for capital improvements) based upon a periodic budget adopted by the Association, which lien represents assessments which had become due within the six (6) months immediately prior to the date on which the mortgage holder acquired ownership. The lot's past due share of expenses or assessments shall become new expenses chargeable to all of the Owners, including the Mortgagee or foreclosure sale purchaser, and their successors and assigns, equally. However, the defaulting Owner shall continue to be personally liable for such past accrued assessments. For the purpose of the section, the terms "Mortgage" and "Mortgagee" shall mean any real estate contract vendor or designee or assignee of a vendor under a real estate contract.

J. Lien May be Foreclosed: The Association's lien for delinquent assessments is not subject to the provisions of Chapter 6.13 RCW. The lien may be enforced by the Board acting on behalf of the Association, judicially in the manner set forth in Chapter 61.12 RCW, or non-judicially in the manner set forth in Chapter 61.24 RCW for non-judicial foreclosures of deeds of trust. The Board, acting on behalf of the Association, shall have the power to bid at the foreclosure sale and to acquire, hold, lease, mortgage, and convey the lot. The lien for delinquent assessments shall be extinguished unless proceedings to enforce the lien are instituted within three (3) years after the amount of assessment sought to be recovered becomes due.

K. Assessments Are Personal Obligations: In addition to constituting a lien on the lot and all its appurtenances, all sums assessed by the Association chargeable to any lot (together with interest, costs, and attorney's fees in the event of delinquency) shall be the joint and several personal obligations of the lot Owner when the assessment is made and such Owner's successors in title who assume such obligations for all assessments due up to the time of each Owner's conveyance of the lot without prejudice to any such successor's ability to recover from the Owner the amounts paid by such successor therefor. Suit to recover a personal judgment for any delinquent assessments shall be maintainable without foreclosing or waiving the lien securing the assessments.

L. Late Charges and Interest on Delinquent Assessments: The Board may from time to time establish late charges and a rate of interest to be charged on assessments that may thereafter become delinquent. In the absence of another established non-usurious rate, delinquent assessments shall bear interest at the rate of twelve (12%) percent per annum.

M. Recovery of Attorney's Fees and Costs: In any action to collect delinquent assessments, including appeal thereof and enforcement of a judgment, the prevailing party shall be entitled to recover as a part of its judgment a reasonable sum for attorneys' fees and expenses reasonably incurred in connection with the action, in addition to taxable costs permitted by law.

N. Remedies Cumulative: The remedies provided herein are cumulative, and the Board may pursue them, together with any other remedies which may be available under the law although not expressed herein, either concurrently or in any order.

ARTICLE VIII.

Indemnification of Officers and Managers

A. Indemnification: The Association shall indemnify every Board member and officer, and his or her heirs and personal representatives, in the same manner as indemnification is provided to the Architectural Review Committee as provided in Paragraph 6 (C) of the Declaration.

ARTICLE IX.
Self-Governance of Villages

A. Authority: Each separate village is delineated by subdivision or division within the planned unit development and shall have the right, power, and authority to govern, resolve, and control all issues which relate to and are distinct to that village as compared to the entire planned unit development. This governance and authority shall be limited to those issues, acts, omissions, or conduct which have been specifically delegated or identified by the Master Property Management Association Board as being unique to a particular village such that only the Members within that village shall have a right to vote on such matters. Such matters shall be specific rules of lot usage and ownership, architectural review standards, and the like; provided, however, that no rules adopted by any village shall be in conflict with any rules, regulations, or Bylaws established for the planned unit development as a whole by the Master Property Management Association.

B. Meetings: The Members of any village shall establish the criteria for holding meetings and the notice required therefor, as they so desire, or said villages may adopt the rules and regulations of these Bylaws as they apply to the Master Property Management Association as a whole to control the actions of the governing board and the Owners of the village.

C. Inconsistency: No separate village governing committee or board shall have the authority to adopt any rule, regulation, or application which is inconsistent with that established by the Master Property Management Association. Villages shall have the authority to establish assessments only upon specific written authorization from the Board of Directors of the Master Property Management Association. In the event assessments are so authorized and implemented, such assessments shall be governed generally by the terms and conditions of Article VII contained herein.

ARTICLE X.
Amendments — Interpretation — Notices - Rules

A. Amendments: To amend these Articles of Incorporation, the Board of Directors shall adopt a resolution setting forth the proposed amendment and then submit the same to a vote at an annual meeting or special meeting of the Members; provided, however, that the Board of Directors may not be enlarged nor may the appointment of two (2) Directors by the Declarant be amended at any time without the Declarant's specific written approval. Written notice setting forth the proposed amendment or summary of changes shall be given to each Member entitled to vote at such meeting

within the time and manner provided by law. The proposed amendment shall be adopted upon receiving at least a sixty-six percent (66%) affirmative vote of all unit Owners.

B. Interpretations: These Bylaws are intended to comply with and supplement the Declaration. If a conflict should arise between the Bylaws and the Declaration, the provisions of the Declaration will control. These Bylaws shall be liberally construed to effectuate their purposes to create a uniform plan for the management and operation of the subdivision.

C. Notices: Except as may otherwise be required by law or be specifically provided otherwise in the Declaration or in these Bylaws, any notice to any Member, officer, or Director shall be delivered either personally or by mail. Mailing addresses may be changed from time to time by notice in writing to the Board. Notice to be given to the Board may be given to the President or Secretary/Treasurer of the Board.

D. Rules and Regulations: The Board of Directors may from time to time adopt such rules and regulations as may be necessary or advisable to ensure compliance with or to supplement the Declaration or as may be reasonably required for the use, occupancy, and maintenance of the lots within the subdivision. When so adopted, such rules and regulations shall be binding upon all Owners and occupants. The Board of Directors may from time to time amend such rules and regulations. Such rules and regulations shall be stated in writing and shall be made available to each Owner, tenant, mortgagee, or other party having a legitimate interest therein upon request of such individual to the Secretary/Treasurer of the Association.

E. Fiscal year: The fiscal year of the Association shall begin January 1 and end December 31st.

DATED this 28th day of SEP, 2012

THE VILLAGES OF GARRISON CREEK
MASTER PROPERTY MANAGEMENT ASSOCIATION
a Washington non-profit corporation

By: DON COLEMAN 

Title: PRESIDENT



STATE OF WASHINGTON)

SS:

County of Walla Walla)

On this day personally appeared before me Don Coleman, to me known to be the President of The Villages of Garrison Creek, Master Property Management Association described herein and which executed the foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said Washington non-profit corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument on behalf of said corporation.

SUBSCRIBED AND SWORN to before me this 28th day of September, 2012



Notary Public in and for the State of Washington, residing at: College Place

Jean Mulkey
My Commission expires
3/18/16

