

EXHIBIT D TO PROPERTY REPORT

AMENDED AND REVISED

BY-LAWS

OF

KACHESS COMMUNITY ASSOCIATION

THESE AMENDED BY-LAWS OF KACHESS COMMUNITY ASSOCIATION are adopted on the date hereinafter set forth by KACHESS COMMUNITY ASSOCIATION, a Washington corporation.

WITNESSETH:

WHEREAS: The KACHESS COMMUNITY ASSOCIATION adopted its By-Laws at the meeting of the Board of said Association held on May 1, 1975: and

WHEREAS: On October 7 , 1976 the Kachess Plat II was recorded in Volume 7 of Plats, pages 10 through 13 , records of Kittitas County, which said Plat replatted certain lots of the Plat of Kachess; and

WHEREAS: As a result of Kachess Plat II, the Board of Directors desires to amend and revise the By-Laws adopted on May 1, 1975; and

WHEREAS: The provisions of Article 20 of said By-Laws have been complied with,

NOW, THEREFORE,

The Directors of the KACHESS COMMUNITY ASSOCIATION hereby adopt the following AMENDED AND REVISED BY-LAWS OF KACHESS COMMUNITY ASSOCIATION:

ARTICLE 1

NAME AND LOCATION

The name of the corporation is Kachess Community Association, hereinafter referred to as "Association." The principal office of the Association shall be located at 2333 Third Avenue, Seattle, Washington 99111, but meetings of the Directors and the members may be held at such places within the State of Washington, county of King or County of Kittitas, as may be designated by the Board of Directors.

ARTICLE 2

DEFINITIONS

2.1 "Association" shall mean and refer to Kachess Community Association, a non-profit corporation, organized under the laws of the State of Washington, its successors, and assigns, organized and established to care for the common facilities necessary to maintain and preserve the parkways, greenbelts, utilities, and other common properties necessary for the convenient enjoyment and preservation of Kachess Community and to promote the health, safety, and welfare of the residents of Kachess Community.

2.2 "Declarant" shall mean Kachess Village Associates, a Limited Partnership, organized under the laws of the State of Washington and any assigns engaged in land development or activities which are the same as or similar to those of Kachess Village Associates.

2.3 "Owner" shall mean and refer to the record owner whether one or more persons or entities, of a fee simple title to any lot and/or condominium unit which is a part of the property, and contract purchasers, excluding

those having such interest merely as a security for performance of an obligation and contract sellers. Owners shall also include any person or persons or entities holding a leasehold interest of over one year in any lot and/or condominium unit.

2.A "Properties and Property" shall mean and refer to that certain real property described in Exhibit "A" and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

2.5 "Common area" shall mean any and all real property owned by the Association for the common use and enjoyment of the owners including community facilities, parks, roadways (other than any streets or other areas dedicated to public use), walkways, greenbelts, reserve areas and assigned recreational facilities. The common areas to be owned by the Association at the time of conveyance of the first properties are described in Exhibit "B" which is attached hereto and incorporated herein by reference and by this reference made a part hereof as if fully set forth.

2.6 "Lot" shall mean and refer to any plot of land shown upon the recorded Plat of Kachess and Plat of Kachess II, recorded with file County Auditor of Kittitas County, Washington, and any additions thereto as may be hereinafter brought within the jurisdiction of the Association, excluding the common area.

2.7 "Condominium unit" or "unit" shall mean and refer to any unit within a condominium as shown upon the plats a of Kachess recorded with the County Auditor and any additions thereto as may be hereinafter brought within the jurisdiction of the Association, excluding the common area.

2.8 "Member" shall mean any person or entity holding membership in the Association.

2.9 "Development period" shall mean that period Declarant needs to sell 90 single-family lots and/or condominium units in Kachess, or any shorter period as determined by Declarant, but no longer than that ending April 23, 1979.

2.10 "Articles" shall mean and refer to the Articles of Incorporation of the Association.

2.11 "Declarations" shall mean and refer to the Amended and Revised Declaration of Covenants, Conditions and Restrictions and Notice of Subjection of Assessment of Liens of Kachess Community Association, and any amendments or revisions thereto applicable to the property recorded in the office of the County Auditor of Kittitas County, Washington.

ARTICLE 3

MEMBERS AND VOTING RIGHTS

3.1 MEMBERSHIP. Every owner of a lot and/or condominium unit which is subject to assessment by the Association shall be a member of the Association.

3.2 VOTING RIGHTS. Members shall have one (1) vote for each lot or condominium unit owned, whether improved or not. When more than one person is an owner of any lot or condominium unit, all such owners shall be members. The vote for each lot or condominium unit shall be exercised as the owners, among themselves, for any purpose whatsoever determine, but in no event shall more than one vote be cast with respect to any lot or condominium unit. In the event that the owners of any lot and/or condominium unit disagree among themselves as to how the one vote for the lot or condominium unit shall be exercised with respect to a pending matter, any such person may deliver written notice of such dispute to the president or secretary of the Association, and the vote for that lot or condominium unit shall then be disregarded completely with respect to the matter or matters before the Association at that meeting. The right to vote may not be severed or separated from any lot or condominium unit and any sale, transfer, or conveyance of said property interest to a new owner or owners shall operate and transfer the appurtenant vote without the requirement of any express reference thereto.

ARTICLE 4

CERTIFICATE of MEMBERSHIP

Certificates of membership in this Association shall be issued to each member. When issued, the certificates shall be numbered and the respective members' names shall be entered in the membership register of this Association as the certificates are issued. The certificates shall exhibit members' names and shall be signed by the president and/or the secretary of the Association.

ARTICLE 5

OWNERSHIP

No member shall have any right, title, or interest in or to the whole or any part of the property or assets of the Association and no member shall be entitled to either the whole or any part thereof in the event of termination of his membership in the Association.

ARTICLE 6

MEETING OF MEMBERS

6.1 ANNUAL MEETING. The annual meeting of the members shall be held the third Saturday of April of each year at two o'clock p.m. for the purpose of electing Directors and transacting such other business as may come before the meeting. If the election of Directors is not held on the date designated for the annual meeting of the members or any adjournment thereof, the election shall be held at a special meeting of the members as soon thereafter as is practicable.

6.2 SPECIAL MEETINGS. The president or the Board of Directors may call a special meeting of the members for any purpose. A special meeting of the members may also be called by members having at least one-thirtieth (1/30) of the total ownership interest in the lots and/or condominium units, and in the event such is the case, it shall be the duty of the secretary, upon request in writing by such members, to call such a meeting of the membership, to be held at such time and place as the secretary may fix, not less than ten (10) days nor more than fifty (50) days after receipt of such request, and if the secretary shall neglect or refuse to issue such call within five (5) days of such receipt, the members making the request may issue the call, specifying therein the time and place of the meeting.

6.3 PLACE OF MEETINGS. All meetings shall be held at the principal office of the Association or such other place within King or Kittitas Counties, State of Washington, designated by the Board of Directors.

6.4 NOTICE OF MEETINGS. Written or printed notice stating the date, place, and hour of the meetings, and in the case of special meetings, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the president or secretary or the members calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail addressed to the member at his address as it appears in the records of this Association with postage thereon prepaid.

6.5 QUORUM. Members holding twenty percent (20%) of the votes entitled to be cast at any meeting, represented in person or by proxy, shall constitute a quorum at the members' meeting. The vote of a majority of the votes entitled to be cast by the members present and represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members except as otherwise stated in the Declaration or Articles. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No subsequent meetings shall be held more than sixty (60) days following the preceding meeting.

6.6 PROXIES. At all members' meetings, a member may vote by proxy, executed in writing by the member or by his attorney in fact. Such proxies shall be filed with the secretary of the Association before or at the time of the meeting. Unless otherwise provided in the proxy, a proxy shall be invalid after eleven (11) months from the date of its execution.

6.7 SUSPENSION. The Association, through its Board of Directors, has the right to suspend voting rights and rights to the use of common areas and recreational facilities by any owner of a lot and/or condominium unit for a period during which an assessment against his lot or condominium unit remains unpaid and for a period not to exceed thirty (30) days for any infraction of the Association's published rules and regulations.

ARTICLE 7

BOARD OF DIRECTORS

7.1 POWERS AND QUALIFICATIONS. The affairs of the Association shall be managed by a Board of Directors who need not be members of the Association.

7.2 NUMBER. The number of Directors of the Association shall be not less than three (3) nor more than seven (7) in number. Upon the completion of the development period, the number of Directors shall be increased to five (5); upon the completion of the sale of at least eighty-five percent (85%) of both the lots and condominium units, if any, the number shall be increased to seven (7). Upon increasing the Board of Directors to five (5) or more, the Board shall be divided into three classes: the first class to serve a term of one year, the second to serve a term of two years, and the third to serve a term of three years thereafter. Each such Director shall hold office for the term for which he is elected until his successor shall have been elected and qualified.

7.3 ELECTION AND TERM. The initial Board of Directors shall serve for a period of not less than six (6) months nor more than four years or until the election of their successors. However, the initial Board shall not be replaced by the members until after the development period unless the initial Board consents thereto. Following the development period, the members shall elect two Directors to serve a term of three years, two Directors to serve a term of two years, and one Director to serve a term of one year or until his or their respective successors are elected and qualified. When the Board of Directors is increased to seven, the position for which a Director was elected for one year shall then be changed and three Directors shall be elected so that all Directors shall have a term of office for three years and their terms shall be staggered to provide as nearly as possible, for the election of one-third of the Board of Directors to occur each year. At the expiration of any term of three years, a Director may not be re-elected for at least one year after expiration of the three year term.

7.4 VACANCY. The Board of Directors shall have the power to fill by appointment any vacancy occurring in the Board and any directorship to be filled by any reason of any increase in the number of Directors as a result of amendment of these By-Laws. A Director appointed to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office. Any Director appointed by the Board shall stand for election for the remainder of the specified term for such position at the next annual membership meeting.

7.5 REMOVAL. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association after the development period.

7.6 COMPENSATION. No Director shall receive compensation for any service he may render to the Association as Director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties as Director.

ARTICLE 8

MEETINGS OF BOARD OF DIRECTORS

8.1 ANNUAL MEETINGS. The annual meeting of the Board of Directors shall be held immediately after the annual membership meeting. Said meeting shall be held at the same place as the membership meeting unless some other place shall be specified by resolution of the membership at such meeting.

8.2 SPECIAL MEETINGS. Special meetings of the Board of Directors may be held at any place, at any time, within King or Kittitas Counties, whenever called by the president or secretary or any two or more Directors of the three-person Board, or by any three members of the five-person Board, or by any four members of the seven-person Board.

8.3 QUARTERLY MEETINGS. Regular meetings of the Board of Directors shall be held at least quarterly, without notice, at such place, date, and hour as may be fixed from time to time by resolution of the Board of Directors.

8.4 NOTICE OF MEETINGS. No notice of annual meetings or of quarterly meetings of the Board of Directors shall be required. Notice of the time and place of any special meeting shall be given by the secretary or by the person or persons calling the meeting by mail, telegram, or by personal communication over the telephone or otherwise, at least three (3) days prior to the date on which the meeting is to be held. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except when a Director attends the meeting for the purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any meeting of the Board of Directors need be specified in the notice, or any waiver of notice of any special meeting.

8.5 QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business. The act of a majority of the Directors present at a meeting in which a quorum is present shall be the act of the Board of Directors. At any meeting of the Board of Directors at which a quorum is present, any business may be transacted and the Board may exercise all of its powers.

ARTICLE 9

ACTION BY WRITTEN CONSENT

Any action required or permitted by the Articles of Incorporation, the By-Laws, the Declaration, or under the laws of the State of Washington, to be taken at a meeting of the Board of Directors of the Association may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the Board of Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote and may be described as such.

ARTICLE 10

WAIVER OF NOTICE

Whenever any notice is required to be given to any Director of the Association by the Articles of Incorporation, By-Laws or Declaration or by the laws of the State of Washington, a waiver thereof, in writing signed by the person or persons entitled to such notice, either before or after the time stated therein, shall be equivalent to giving of such notice.

ARTICLE 11

NOMINATION AND ELECTION OF DIRECTORS

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

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

ARTICLE 12

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

12.1 The Board of Directors shall have the powers and duties necessary for the administration of the affairs thereof consistent with the purposes and objects set forth in the Articles of Incorporation, Declaration, and By-Laws, and pursuant to the laws of the State of Washington. Without prejudice to the generality of the foregoing, the Board of Directors shall have the power and duty:

12.1.1 To adopt and publish rules and regulations consistent with the Articles of Incorporation, Declaration, and By-Laws, governing the use of the common area and properties, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.

12.1.2 To exercise for the Association all powers, duties, and authority vested in or delegated to this Association not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.

12.1.3 To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

12.1.4 To employ and remove at pleasure all officers, agents, employees, independent contractors, or such other persons as they deem necessary, prescribe their duties and fix their compensation.

12.1.5 To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting thereof.

12.1.6 To supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed.

12.1.7 As more fully provided in the Declaration, to set the annual budget and allocate the assessment rate, provided, however, the assessment rate is subject to all terms and conditions of the Declaration.

12.1.9 To procure and maintain adequate liability insurance and to procure adequate hazard insurance on property owned by the Association.

12.1.9 To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

12.1.10 To cause the common area and any furniture, fixture, and mechanical equipment thereof to be administered, maintained, repaired, rebuilt, or replaced in accordance and consistent with all applicable laws, ordinances, rules, and regulations now or hereafter made by any governmental authority, and with the provisions of the Articles of Incorporation of the Association, the Declaration, and these By-Laws.

12.1.11 To make such expenditures as the Board deems expedient; provided, however, that the members of the Association, by resolution adopted by a two-thirds (2/3) vote at any meeting of the members, may restrict the amount of expenditures which can be made by the Board without prior approval of the members. The Board of Directors shall not have power to borrow money on behalf of the Association in excess of ten percent (10%) of the asset value of the Association unless authorized by a majority vote of the members of the Association at a meeting of the members.

12.1.12 To acquire by conveyance, contract, lease, or otherwise, property and rights of occupancy of property for the common benefit of the property of the members of the Association; to improve said property by the erection of structures and facilities; to rent the same to members of the Association, all upon such terms and subject to such rules and regulations as the Directors may determine.

12.1.13 In the name of the Association, to enforce and foreclose the lien of assessments of the Association as may be necessary for collection thereof.

12.1.14 To designate representatives to serve on the Architectural Control Committee and to enforce the provisions of restrictive covenants and declarations pertaining to the lands served by this Association, by the institution of litigation, or otherwise.

12.1.15 The Board of Directors may appoint a business manager who may exercise the authority of the Board between formal meetings of the Board, provided that all such authority so exercised shall be reported to the next meeting of the Board and submitted for approval by the Board; failing such approval, such actions of the business manager shall not be effective after the meeting of the Board of Directors at which considered except to the extent that formal continuing undertakings may have been made on behalf of the Association.

12.1.16 The Board of Directors shall not make political or charitable donations of the Association funds or property.

12.1.17 The Board of Directors is not authorized to adopt or enforce discriminatory rules or regulations or restrictions as between owners of condominium units or lots, nor to take any such discriminatory action based on race, religion, national origin, or sex.

12.1.18 The Board of Directors upon conveyance of the common area to the Association shall develop such common area substantially in conformance with the plan attached to Declaration as Exhibit C thereto, and shall maintain a Common Area Development Account to receive all monies deposited for common area development by the Declarant or the owner of a hotel, motel, or similar facility pursuant to Article V, Section 10 of the Declaration. The money shall be used by the Association exclusively for the development of the common areas. The Board of Directors shall keep a separate account for receipt of the monthly assessment from the members to be used as set forth in the Declaration and Articles of Incorporation.

ARTICLE 13

COMMITTEES

The Board of Directors may create committees, by resolution or resolutions passed by a majority of the Board, which to the extent provided in said resolution or resolutions or in other provisions of these By-Laws, shall have and may exercise the powers of the Board of Directors, or may perform advisory services as designated, regarding the management of the business and affairs of the Association. Such committees shall have names as may be determined from time to time by resolution adopted by the Board of Directors, including but not limited to the following management areas: Budget & Finance; Building & Improvements; Landscaping & Grounds; Road & Utilities Maintenance; Parks, Beaches & Traditional Events; Security & Transportation; Retail & Commercial Liaison; Insurance & Accounting; Legal & By-Laws; Regulations & Enforcement; Annual & Special Meetings; Personnel & Administration; Community & County Relations; State & Federal Regulations.

ARTICLE 14

OFFICERS AND THEIR DUTIES

14.1 PRESIDENT. The president shall be the principle executive officer of the Association and, subject to the Board's control, shall supervise and control all of the business and affairs of the Association. When present, he shall preside over all members' meetings and over all Board meetings. With the secretary or other officer of the

Association authorized by the Board, he may sign deeds, mortgages, bonds, contracts, or other instruments that the Board has authorized to be executed, except when the signing and execution thereof has been expressly delegated by the Board or by these By-Laws to some other officer or agent of the Association or is required by law to be otherwise signed or executed by some other officer or in some other manner. In general, he shall perform all duties incident to the office of president and find such other duties as may be prescribed by the Board from time to time.

14.2 VICE PRESIDENT. In the absence of the president or in the event of his death, inability, or refusal to act, the vice president shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The vice president shall perform such duties as from time to time may be assigned to him by the President or by the Board.

14.3 SECRETARY. The secretary shall: (a) keep the minutes of the members' and Board meetings in one or more books provided for this purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the Association records and of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized; (d) keep a register of the post office address of each member as furnished to the secretary by each member; (e) and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the Board.

14.4 TREASURER. If required by the Board, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other repositories as shall be selected in accordance with the provisions of these By-Laws; prepare an annual budget and statement of income and expenditures to be presented to the members at its regular annual meeting; and in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the Board.

14.5 SALARIES. The salaries of the officers shall be fixed from time to time by the Board, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a member of the Association.

ARTICLE 15

LOANS PROHIBITED

No loans shall be made by the Association to any officer or to the Board of Directors.

ARTICLE 16

CONTRACTS, CHECKS, AND DEPOSITS

16.1 CONTRACTS. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

16.2 CHECKS, DRAFTS, ETC. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents, of the Association and in such manner as is from time to time determined by the Board.

16.3 DEPOSITS. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board may select.

ARTICLE 17

FISCAL YEAR

The fiscal year of the Association shall end August 31st.

ARTICLE 18

SEAL

The seal of this Association, if the Board of Directors determines a seal is necessary, shall consist of the name of the Association, the state of its incorporation, and the year of its incorporation.

ARTICLE 19

INDEMNIFICATION

To the full extent permitted by law, the Association shall indemnify any person who was or is a party or is threatened to be made a party to any civil, criminal, administrative, or investigative action, suit, or proceeding (whether brought by or in the right of the Association or otherwise) by reason of the fact that he is or was a Director or officer of the Association, or is or was serving at the request of the Association as a Director or officer of another association, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, and the Board may, at any time, approve indemnification of any other person which the Association has the power to indemnify under the law. The indemnification provided by this section shall not be deemed exclusive of any other rights to which a person may be entitled as a matter of law or by contract.

ARTICLE 20

AMENDMENTS

These By-Laws may be altered, amended, or repealed, and new By-Laws may be adopted by the Board at any regular or special meeting of the Board provided there has been at least ten (10) days' notice of the meeting, which notice shall include the proposed amendment to the By-Laws.

ARTICLE 21

BOOKS AND RECORDS

The Association shall keep current and complete books and records of account and shall have at least an annual audit, and shall keep minutes of the proceedings of its Board and the committees having any authority of the Board.

ARTICLE 22

ARCHITECTURAL CONTROL COMMITTEE

The Association shall appoint an Architectural Control Committee as provided in the Declaration.

ARTICLE 23

RULES AND REGULATIONS

23.1 ADOPTION. The Board of Directors may, from time to time, and subject to the provisions of the Declaration, Articles of Incorporation, and these By-Laws, adopt, amend, and repeal rules and regulations in order to preserve the benefit of Kachess for all owners, their families, invitees, licensees and lessees, and for guests.

23.2 PROMULGATION. The secretary shall mail a true and correct copy of all rules and regulations, or amendments thereto, to each member of the Association as appears on the membership roll of the Association at his last known address, and shall enter upon the records of the corporation his certificate of such mailing.

23.3 EFFECTIVE DATE. Any such rule or regulation or amendment thereto, adopted by the Board of Directors shall be effective commencing at 12:01 a.m. on the fifth (5th) day following the date of such mailing, unless the Board of Directors in adopting the name, shall specify some other effective date.

ARTICLE 24

RULE OF PROCEDURE

The rules of procedure at the meeting of the Board of Directors of the Association shall be rules contained in Roberts' Rules of Order of Parliamentary Procedure, as amended, so far as applicable and when not inconsistent with these By-Laws, the Articles of Incorporation, or with any resolution of the Board of Directors.

ARTICLE 25

CONFLICTS

In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control. In the case of any conflict between the Declaration and these By-Laws and the Articles, the Declaration shall control.

CERTIFICATE OF ADOPTION

The undersigned, being the Board of Directors of KACHESS COMMUNITY ASSOCIATION, hereby certify that the foregoing are the Amended and Revised By-Laws adopted at the meeting of the Board of said Association held on the 8th day of October, 1976.

EXHIBIT A
TO
AMENDED AND REVISED BY-LAWS OF
KACHESS COMMUNITY ASSOCIATION
THE LEGAL DESCRIPTION OF
THE PLAT OF KACHESS

All of Section 17, Township 21 North, Range 13 East, W.N., lying West of the boundary of the Department of Interior, United States Department of Reclamation, Yakima Storage Project, Kachess Reservoir as shown by the records of Kittitas County, Washington, and more particularly described on that certain Plat prepared by the Department of Interior No. D2A59 attached to Deed recorded April 16, 1917, in Volume 31 of Deeds. pages 306 to 306, of said County and State.

THE LEGAL DESCRIPTION OF
KACHESS PLAT II

Replat of all of Tracts A-1, A-2, A-3, B-1, C, D, E, F, G, H, I, O, and N, of the Plat of Kachess, as recorded in Volume 6 of Plats, pages 64 through 68, records of Kittitas County, Washington, said replat recorded in Volume 7 of Plats, pages 10 through 13 records of Kittitas County, Washington.

EXHIBIT B TO
AMENDED AND REVISED
BY-LAWS

OF

KACHESS COMMUNITY ASSOCIATION

The designated uses of the properties delineated on page 2 of this exhibit B are as follows:

- A. Single Family Lots:
 - Plat of Kachess: Lots 1-99
 - Plat of Kachess II: Lots 1-69 (shaded areas)
168 total single-family lots
- B. Common Area Properties:
 - Revised Tract 5-1, View and Meditation Park
 - Revised Tract F, Common Parking and Facilities
 - Revised Tract U, Central Park
 - Tract J, Mini-Park and Beach Access
 - Tract K, Mini-Park and Beach Access
 - Tract L, Beach Access
 - Tract N, Winter Park
- C. Condominium Site (planned)
 - Revised Tract A-1
- D. Commercial Option:
 - Tract 5-2

EXHIBIT E TO PROPERTY REPORT

KACHESS COMMUNITY ASSOCIATION

ARCHITECTURAL CONTROL COMMITTEE RULES

An Architectural Control Committee, (hereinafter "Committee") is provided for under the Declaration of Covenants and Restrictions and Notice of Subjection of Assessment of Liens (hereinafter "Declaration"), Articles of Incorporation and By-Laws, consisting of three members, to maintain the general concept of the village planners.

Recognizing that general criteria will change in the dynamics of methods of construction, architectural concepts, changes in building materials and life styles, the following are a number of considerations that serve as guidelines for owners (in their purpose and development decisions) and for architects and designers (in their detailed planning):

PHILOSOPHY

1. To insure sensitive architectural design sitting and aesthetics of residences, apartments, common facilities and commercial or service structures, and improvements.
2. To assist each individual property owner in realizing the full architectural potential of his site.
3. To assure maximum retention of existing ecological balance while promoting design aesthetics in harmony with this ecological set.
4. To prevent indiscriminate construction that would adversely affect adjoining property values and the general quality of life in Kachess Community.

PROCEDURAL

1. All structures (including additions, exterior remodeling, repainting, fencing, etc.) must be first approved by the Committee (as specified in the covenants and restrictions of the Declaration).
2. It is recommended that all plans be prepared by an architect or other qualified design service.
3. The plans are to be submitted in duplicate to the Committee in care of The Morrow Corporation, 1621 - 114th Avenue S.E., Suite 215, Bellevue, Washington 99004 (or at such address as may later be substituted), prior to the first business day of each month. The Committee will meet during the first week of each month and approve or disapprove plans, in writing, prior to the 15th day of that month.

A filing fee of Thirty Dollars (\$30.00) payable to Kachess Community Association must be enclosed with the initial submission. No additional fee will be necessary should subsequent submissions be required (as to each building site). This fee is considered earned whether the plans submitted are approved or disapproved and is intended to partially cover the inspection, clerical and time costs of the Committee.

4. Building documents required by the Committee for their action should include:

A. Site plan at a scale of 1/8" - 1' (or other appropriate scale) showing:

- a) Existing lot conditions including tree locations, species and trunk diameters at waist level;
- b) General soil conditions and geological features;
- c) Topography, to 2' contour;
- d) Natural drainage areas and water courses;
- e) Evidence of existing animal patterns;
- f) General location of structure on adjoining properties

B. Proposed setting of structures at 1/8" - 1' (or other scale) showing:

- a) Ingress and egress locations;
- b) Locations of planned structures;
- c) Final topography to minimum 2 foot contours;

- d) Future outdoor lighting, fencing and landscaping plan;
- e) Proposed screening of vehicles, garbage and trash areas, clothes lines and outdoor permissible lighting;
- f) Locations of all proposed utility installations;
- g) Designations of all trees over 6" in diameter at waist level proposed to be removed;
- h) Legal description; north arrow for orientation; direction of views.

C. All Floor Plans at 1/4" - 1' (or other appropriate scale) with sufficient elevations and building sections to show methods of construction; selected building materials are to be detailed; specifications relating to performance standards and quality of proposed structures, exterior finishing details and color are to be included.

5. Because of topographical variety and lot sizes, set back requirements are not fixed except if any are required by the County. The Committee will determine the set back for each property. Control of orientation and location of structures on sites is intended to assure that all structures are as compatible as possible with their natural surroundings and with each other.

6. Two story structures will be approved only on sites where they will not impair the primary view from adjacent sites; views from all building sites will be safeguarded to the extent reasonably possible.

7. Except when prevented by unusual topography, all garages and carports should be visually attached to the primary structure. Carports must be enclosed on not less than two sides. Any exterior parking area must be enclosed on not less than two sides by a five (5) foot fence or planted berm or retaining wall.

8. The use of stains in lieu of paints is encouraged. No reflective finishes (other than glass) shall be used on exterior surfaces. Fences, screens, and similar exterior structures shall be constructed solely of wood. Exterior lighting is closely controlled.

9. Rather than impose arbitrary size, dollar value or square footage minimum standards, the Committee will apply rules of compatibility of the structure to its site and to its neighbors. In general, the improvements should represent an investment of at least triple the value of the lot at the time of construction. Should there be doubt concerning the acceptability, submission of tentative plans for tentative approval before proceeding is recommended.

10. All plans shall comply with the Declaration and all applicable laws.

COMMITTEE RESPONSIBILITY

The Committee in no way shall confirm or guarantee any assumed geological condition, safety or structural standards, or construction methods. It shall concern itself only with general aesthetics, general planning, view preservations to the degree possible, and to compatibility factors. The Committee shall in good faith exercise discretionary approval or disapproval, on the basis of minimizing interference with enjoyment of adjacent properties, protecting property values, and of enforcing an improvement use and occupancy in a pleasing but not sterile or uniform combination.

APPLICATION AND ENFORCEMENT

On or before the 15th day of each month, the Committee by a majority vote and in writing may approve or disapprove or may conditionally approve, plans and specifications submitted prior to the first business day of that month. If such plans and specifications be so disapproved (or if conditionally approved and then unless the conditions thereof be complied with) the proposed construction shall not be undertaken. If construction is undertaken in violation thereof, it may be abated by legal proceedings instituted by any party having any interest.

Clearing, excavation or construction undertaken without submission of details, plans and specifications to the Committee, shall be subject to legal action irrespective of the time of completion.

In the event of violation hereof, any Kachess property owner, or the Kachess Community Association, may institute proceedings for abatement or injunction or for damages and reasonable costs including attorneys fees or costs of any such action in any court having jurisdiction. Each owner and the community Association are recognized to have a proper interest in the matter herein provided for, and the matters provided for herein are recognized as specifically enforceable.