

## **RIIA BYLAWS**

### **ARTICLE II**

#### **Membership and Voting**

**Section 1. MEMBERSHIP:** The membership in this corporation shall be limited to those persons, natural or artificial, now or hereafter owning or having a possessory interest in any parcel of land located in Kuhn's Raft Island, Pierce County, Washington.

As to property standing in the name of husband or wife, either may represent the community. All parcel holders not obligated to belong to the R.I.I.A. by deed are considered R.I.I.A. members unless they have on file with the association's secretary a statement that they do not wish to participate in the association. This statement on file does not release a parcel holder from the obligation to pay his/her proportional share as specified in the original deed.

Only one membership per parcel shall be given to: the owner(s) of each parcel; purchaser(s) of each parcel, in said Raft Island. Multiple owners or purchasers of one parcel shall constitute only one joint member or membership. The right of membership shall run with the land and no membership shall be transferred unless the parcel to which it is appurtenant shall be sold.

**Section 2. PARCEL DEFINED:** A parcel is herein defined as a platted lot in the replat of Kuhn's Raft Island, in Plat 1, Plat 2, or Plat 3. Should any of these so-defined parcels be divided or separated, they shall be treated now and hereafter as separate parcels. Should these new parcels be further separated, the same shall apply to that separation. Once separated parcels will not be rejoined as a single parcel subject to the per parcel fee described in Article II, Section 3, of these by-laws.

Except that any vacant adjoining parcels may be combined with another, if duly recorded with the county and a written description of the transaction along with the acknowledgment of all obligation is sent to the R.I.I.A. But should a residence be built upon the once vacant combined parcels or should there be a re-separation for any reason, such parcels shall be assessed a full parcel fee plus any and all missed assessments, to a maximum of the most recent ten years of assessments.

**Section 3. ASSESSMENTS:** The members of R.I.I.A. shall be liable for the payment of such annual or special assessments as may be determined by the membership. Any changes in the amount of the annual assessment, or the creation of any special assessment, must be approved by the membership present and voting at a duly constituted meeting of the members of the R.I.I.A. in the manner prescribed in ARTICLE X, Amendments. The annual assessment is \$565.00 per parcel.

Moneys designated for bridge replacement shall be kept in a separate fund (the "BRIDGE REPLACEMENT FUND") and shall not be commingled with any other funds of the Association. The BRIDGE REPLACEMENT FUND shall be invested by the RIIA Board of

Trustees, or a committee thereof, consistent with the long-term objective of providing the funds to replace the bridge. Investment of assets in the BRIDGE REPLACEMENT FUND shall not be subject to the restrictions (Article II, Section 3) on investments to which other RIIA funds are subject.

An annual engineering survey by a licensed consulting engineer is to be made to determine the general condition of the bridge and recommend any necessary repairs to maintain the structure. Annually, the Board shall perform or contract to have performed an analysis of the cost to replace the bridge. Also annually, the Board shall review the BRIDGE REPLACEMENT FUND investment performance and adopt a policy for the investment of Fund assets to provide the current estimated cost of replacement by the anticipated date of replacement, taking into consideration future contributions to the Fund. The investment policy governing the BRIDGE REPLACEMENT FUND shall be included in the annual report to the membership at the annual RIIA meeting. The BRIDGE REPLACEMENT FUND and the Bridge Fund will be responsible for a pro rata share of federal income taxes derived from investments.

All moneys received by the R.I.I.A. shall be maintained by the Board of Trustees in such accounts as any reasonably prudent business might use to manage its money so as to have adequate cash on hand and obtain a reasonable rate of return on moneys not immediately needed to meet Association obligations.

Any return received on BRIDGE REPLACEMENT FUND investments shall be credited to that fund.

The annual assessment becomes due on July 1st of each year. The annual assessment becomes delinquent if not paid by September 1st. All special assessments are due within thirty (30) days of approval by the membership and delinquent if not paid within sixty (60) days of such approval.

All members who are delinquent in the payment of any assessment are liable to the R.I.I.A., in addition to the amount of such assessment, for all expenses, attorney fees, and costs reasonably incurred in enforcing the assessment, together with interests at the rate of 1% per month compounded.

***Section 4. LIABILITY OF GRANTOR/GRANTEE FOR UNPAID EXPENSES:*** In case of a voluntary conveyance, the grantee of a parcel shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the common expenses up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amount paid by the grantee therefore. Any such grantee shall be entitled to a statement from the Board of Trustees setting forth the amount of the unpaid assessments against the grantor, and such grantee shall not be liable for, nor shall the parcel conveyed by subject to a lien for any unpaid assessments against the grantor in excess of the amount therein set forth.

LIABILITY OF MORTGAGEE OR PURCHASER: Notwithstanding the terms in the Decree Establishing Lieu or Real Estate, entered on January 23, 1975, in the Superior Court of Pierce County in the case entitled Raft Island Improvement Association vs. Parish, et. al., Case No. 2203000, where the mortgagee of a mortgage of record or other purchaser of a parcel obtains possession of the parcel as a result of a foreclosure of the mortgage, such possessor, his successors and assigns, shall not be liable for the share of the common expenses or assessments by the association chargeable to such parcel which became due prior to such possession. Such unpaid share of common expenses or assessments shall be common expenses collectible from all of the parcel owners, including such possessor, his successor and assigns; provided, nothing herein shall prevent or preclude the association from sharing in the proceeds, if any, of a sale of the property incident to foreclosure, to the extent of the association's lien and relative priority.

No sale or transfer shall relieve such parcel from liability for any assessments thereafter becoming due from the lien thereof. Nothing hereinabove shall limit/preclude the personal liability for unpaid dues and assessments of the person or person who held title to the parcel immediately prior to the foreclosure action.

As used hereinabove:

**4.1** "Mortgage" includes any deed of trust or other security instrument;

**4.2** "Mortgagee" includes the beneficiary of a deed of trust, a secured party, or other holder of a security interest; Raft Island Improvement Association, Inc.

**4.3** "Foreclosure" includes a notice and sale proceeding pursuant to a deed of trust, sale on default under a security agreement, or the taking of a deed in lieu of foreclosure.

**Section 5. VOTING:** Each membership (as defined in Article II, Section 1) shall be entitled to one vote, (**insert - either in person, by mail-in ballot, or by proxy,**) at all meetings of the R.I.I.A., provided no assessment is delinquent. Any multiple parcel owner is entitled to as many votes as he/she has memberships, provided that none of the said assessments are delinquent.