

February 10, 2003

OPEN LETTER TO HOMEOWNERS

Campus Glen community
Federal Way, Washington.

Re: DUE MONEYS

Campus Glen Homeowners' Association and the Board of Directors.

Dear Neighbors,

As you may have, I just received (January 29, 2003) a letter dated 1/28/03 from CDC Management Services, Inc. demanding our money. I just could not believe that some people fully and intentionally violate the laws and regulations they pledge to protect.

I DO NOT accept such illegal behaviors and refuse to pay any money to this company. I wrote to it a letter (enclosed) asking them to stop soliciting and sending junk mails.

I think that you, as homeowners of this community as I am, have the right of knowing the current status of the Campus Glen Homeowners' Association. I just provide basic information and the process to acquire it if you want to further your inquest.

From the last "Annual Meeting of the Members" on November 21, 2002 , I had some disagreements with members of the claimed Board of Directors of Campus Glen Homeowners' Association regarding the interpretations and meaning of specific sections, articles of "The Declaration Of Covenants, Conditions And Restrictions For Campus Glen Homeowners' Association" (known as CCR) and the "HOA Bylaws" dealing with the due assessment process. The disagreement had been escalated to "name-calling" confrontation. I have been called "disruptive," "whining," "having negative attitude," violent ("try to threaten") just because I raised legitimate concerns, objections, and provided information publicly available from the Washington government agencies. Through intensive research, I found these important data related to the Campus Gen Homeowners' Association, which we have to accept as de-facto members in buying our houses in this community.

1. The Campus Glen Homeowners' Association was incorporated on September 27, 1994 with the Office of the Secretary of State (UBI# 601575435) as a non-profit corporation as set forth in Section 1, Article X of the CCR, and Article I of the Bylaws under the provision of RCW 24-03 by a profit-corporation called Campus Glen Limited Partnership, a front end of Polygon Northwest homebuilder company.

(follow this link to know more about the state laws:

<http://www.secstate.wa.gov/corps/>

Click on the second bullet "[Registration & Renewal Requirements](#)" on the middle column, under "Register Your Corporation or Partnership" heading.

Click on the link "[Title 24 RCW](#)" (nonprofit corporations), on the first paragraph

Click on the link 24-03.

2. The Campus Glen Homeowners' Association was DISSOLVED (ceased to legally exist) under the Washington State regulation on September 30, 1998 as its license was expired. You can check it with the

Secretary of State, Corporation Division at (360) 735-7115. Ever since we've been led in the dark until recent discovery of the HOA legal status on January 9, 2003. *Under the laws of Washington State, there is NO Campus Glen Homeowners' Association which can legally do business transactions such as imposing/collecting dues, hiring staff, contracting services, just name a few.*

3. I was also directed to these Washington laws (from the staff of the Office of Secretary of State):

RCW 9.24.040 Corporation doing business without license.

Every corporation, whether domestic or foreign, and every person representing or pretending to represent such corporation as an officer, agent or employee thereof, who shall transact, solicit or advertise for any business in this state, before such corporation shall have obtained from the officer lawfully authorized to issue the same, a certificate that such corporation is authorized to transact business in this state, shall be guilty of a gross misdemeanor.

RCW 9.24.050 False report of corporation.

Every director, officer or agent of any corporation or joint stock association, and every person engaged in organizing or promoting any enterprise, who shall knowingly make or publish or concur in making or publishing any written prospectus, report, exhibit or statement of its affairs or pecuniary condition, containing any material statement that is false or exaggerated, shall be punished by imprisonment in a state correctional facility for not more than ten years, or by a fine of not more than five thousand dollars.

All were aware of this legal problem of the association, but they chose to ignore it. Here is the proof:

Date: Sun, 12 Jan 2003 13:42:58 EST
From: [removed for privacy]
Subject: Re: Association Status

I have already spoken to the new property manager about this and he stated we would have to restart the Campus Glen HOA if unlicensed longer than 3 years, he stated this would have been part of Around The Clock's job to renew our license and to follow up on our status as a group. He is looking into this and will have an answer sometime this week. [removed]

Having a "homeowners' association" is theoretically good idea. It would help to keep a community in a desirable condition by spending dues money on things for the "common use and enjoyment of the members" rather than a company to "police" its community. Since the "Campus Glen Homeowners' Association" has been dissolved, we have to wait for another homeowners' association to be organized through the voluntary agreement of ALL members/proprietors (as I was told). Hypothetically, if there were a newly approved "Campus Glen Homeowners' Association", it will be a brand new one with the same name (many similar cases) but is not related to the previous one, even it will use the similar CCR and Bylaws. It would be illegal if the new association DUPLICATES these two documents because there are many items are inapplicable, such as "development period", "CG Limited Partnership".

Meanwhile there is NO LEGAL obligation requiring me (and you) to pay any money to anyone pretending to represent me (us). Otherwise is ILLEGAL. My lawyer is ready to deal with those. Together we can work for a better community. Please feel free to contact me so we can DISCCUS thing in an amicable way. I remember one of our American heroes once said: "In disagreement, fight fair. Please no name-calling."

You would then ask: "What's the issue? Is it money? Is it worthy to fight and go through all problems just for \$235.00?" (That's also my wife's wonder)

I don't think it's the money issue. It's the principle issue, respecting and following laws, regulations set out by societies, communities, organizations. There are severe violations of the Declaration Of Covenants,

Conditions And Restrictions For Campus Glen Homeowners' Association (known as CCR) and the HOA Bylaws by the group of people called themselves "directors".

I. The budget issue:

At the "Annual Meeting of the Members" on November 21, 2002, I raised the question of the validity of the vote on the new amount of assessment (due). BOTH the Declaration (CCR) and the Bylaws have a specific Article on ASSESSMENT (Article VIII of the CCR, Article XI of the Bylaws). Both specifies the same condition of passing dues above 10% of the previous year:

IF TWO-THIRD (2/3) OF THE MEMBERS OF THE ASSOCIATION CONSENT TO SUCH INCREASE.

The CCR also specifies the needed quorum (minimum number of members presented to validating the meeting) for such budget increases:

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of the place, day, hour and purpose of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 of this Article shall be sent to all members not less than thirty (30) days nor more than fifty (50) days in advance of the meeting. At the first meeting called, the presence of 60 percent (60%) of the members of the Association or of proxies entitled to cast 60 percent (60%) of the votes of the Association shall constitute a quorum.

On November 21, 2002, there were 13 homeowners and 4 board members. Number of proxy votes were unknown! In one e-mail [removed] mentioned of 32 votes! No accountability of tabulation. My requests for the number of votes were systematically ignored!

II. The Locking Mailbox issue:

With the heat of vandalism and mail thefts, the board made the members believing in a special deal with the US Postal Services and presented a letter from the US Postal Services addressing the solution of replacing current individual mailbox with CBU locking mailboxes. With this deal the cost is \$75.00 per house; the previous available fund is \$2,000.00, so the final cost of each household is \$55.00. A member ([removed]) questioned on \$6,000.00 (almost) levied 2 years ago for the locking mailboxes. No board members (the same ones, 2 years ago asked for that fund) answered her directly! Anyway, the tabulation of votes was NEVER announced; just a "proclamation" from [removed] "Locking Mailbox motion passed!"

To my understanding, the decision WAS NOT about the money, but the agreement of the deal with the US Postal Services. We thought it's the best deal. But as any business deal, we'll pay when THE WORK IS DONE, and will pay to the US POSTAL SERVICES.

Then on Jan 8, I received this interesting e-mail from [removed], talking of FREE locking-mailboxes:

Date: Wed, 8 Jan 2003 00:35:00 EST
From: [removed]
Subject: Good and Bad news on the locking mailbox's
To: [removed]

I finally got a call from the USPS (post office). They are ready to put in the locking mailbox's. First the bad news [removed] of the USPS came around the neighborhood and checked things out, and for a 98 house division they can only give us 7 boxes (12residence in each) they don't allow empty boxes. We have 11 mailbox Kiosks in the neighborhood so 4 wouldn't be in use. They asked me if we would be able to put all the boxes at one site. I told them this wasn't what was discussed and I couldn't go for that. After several phone calls and some haggling, they offered to install all 7boxes FOR FREE, on the condition we find one centrally located area for all the boxes. I may be able to talk them into two separate area's one for each side of our neighborhood, but I need to know if this is OK with my fellow board members. This would save the homeowners \$5390 (\$55 X 98) not to mention \$2000 for our budget for a total of \$7390.00 which could be used to build one or two large covers for the

new boxes or put towards improving the areas since it will be a common area for all the residence. This is up to you guys, but I did the best I could since they were unwilling to use our plan that was drawn up. I need immediate responses from everyone as the contractors can install them Thursday or Friday this week or we will have to wait two months until they are in the Federal Way area again. This would help everyone with our new budget instead of paying \$145 and another \$90 in 6months now it would be reduced to two equal payments of \$90. What do you guys think. Email or call me ASAP Thank you [removed]

Recently I heard that the deal was never materialized. The USPS pamphlet, presented to us at No. 21 meeting, is available to the public from the post office (Pacific Highway South); you can request one for yourself, I did!!! You can check with [removed], Station Manager of Federal Way Post Office (253-927-8101)

So now WHAT IS THE DEAL? Is the cost of \$55.00 per house still relevant? Can we ask our money (\$55.00) back? Or will it be "used for expenses" somewhere? If there is NO deal, why is our money collected? The bad experiences of \$60.00 two years ago, is still lingering around, I lost the trust to the same group of people when money is concerned. You can be innocent once! But it's your money! I don't think that I will walk into the same trap again, even for ONE PENNY.

III. Contract with CDC Management Services, Inc.

This is from the minutes of November 21, 2002 General Meeting:

Change in Management Company -- [removed] explained that there was going to be a change in the Campus Glen management company beginning January 1, 2003. The new management company was CDC Management Services, Inc. [removed] had several questions about whether the new company had been hired already and would the homeowners have any say in the decision. [removed] responded that a decision like that had to be made by the board as you couldn't expect to have all 99 homeowners vote on the decision.

Unfortunately, the HOA Bylaws clearly state that the board:

Have the exclusive right to contract for goods, services, maintenance and capital improvements provided, **however, that such right of contract shall be subject to Association approval.** (Article VII, Section 2 (m))

So the contract with CDC Management Services Inc., hasn't been approved yet.

Then, there are other issues that I brought up during the time I was included in the e-mail thread but they were ignored. Anyway, the association is dead, buried under 6 feet. I want to start a fresh, new association by our homeowners and for our homeowners in the future with your participation. It's completely VOLUNTARY. Please contact me so we can plan on it. My personal e-mail address: [removed]
. Hope to hear from you soon.

Sincerely;

[removed]
Homeowner

February 8, 2003

[removed], PCAM
Director of Operations
CDC Management Services, Inc.
11211 Slate Ave. N.E. Suite 200
Kirkland, WA 98033

Re: DUE MONEYS / Campus Glen Homeowners' Association

Dear [removed],

This letter is to let you know that under the laws of Washington State, there is currently NO Campus Glen Homeowners' Association which can legally do business transactions such as imposing/collecting dues, hiring staff, contracting services, and the likes.

The non-profit corporation named Campus Glen Homeowners' Association which was incorporated on September 27, 1994 with the Office of the Secretary of State (UBI# 601575435) under the provision of RCW 24-03, had been DISSOLVED by the office of the Secretary of State, Washington, on September 30, 1998. Its legal status has not been known to us until recently. Your staff, [removed], was well aware of it. You should check with the office of the Secretary of State to verify that. The reputation of your company is at stake.

It is the ONLY Campus Glen Homeowners' Association, of which I was a de-facto member through buying the house. Now it's dead and it CANNOT be reinstated either.

Currently, I am NOT a member of any local homeowners' organization, corporation, or association having your company as a management service. Your letter and its enclosures is irrelevant. Please stop soliciting and sending junk-mails to my address. May I remind you, if you care, of Washington State laws regulating non-profit corporation, especially the following two sections:

*RCW 9.24.040 Corporation doing business without license. and
RCW 9.24.050 False report of corporation.*

Please address your further contact to my lawyer.

Sincerely;

[removed]
Homeowner
Campus Glen division
City of Federal Way

cc. Homeowners on Campus Glen community